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## Senate

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

### PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, all that we have and are is the result of Your goodness. We dedicate this day to counting our blessings and naming them one by one all through the hours of this day. We praise You for the gift of life. You have given us intellect to know You, emotions to praise You, and determination to do Your will. You have blessed us with loved ones, families, and friends. And what a privilege it is to live in this free land of opportunity. Today, help us recount the privileges that we have as citizens and leaders of this Nation.

Father, we also want to praise You for the courage and the strength You provide to face the challenges You give us as individuals and as a Senate. Thank You for problems that define the next steps of what You want us to do. You have shown us that problems are only the flip side of an undiscovered answer. Our problems give us an opportunity to discover Your power.

With everything within us, we praise, thank, and glorify You, our God, Savior, Lord, Provider, and Friend. Amen.

### PLEDGE OF ALLEGIANCE

The Honorable GEORGE VOINOVICH, a Senator from the State of Ohio, led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

### RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Nebraska, Mr. HAGEL, is recognized.

### SCHEDULE

Mr. HAGEL. Mr. President, on behalf of the leader I wish to announce that today the Senate will be in a period of morning business until 10:30 a.m. Following morning business, the Senate will resume consideration of the pending disaster relief amendment to the Agriculture Appropriations Act. It is hoped that the Senate will be able to dispose of those amendments today at a reasonable hour. As a reminder, the Senate will recess today from 12:30 to 2:15 so that the weekly party conferences can meet. As a further reminder, a cloture motion on the dairy compact amendment was filed on Monday. Therefore, under the provisions of rule XXII, that cloture vote will take place 1 hour after the Senate convenes tomorrow, unless an agreement is made by the two leaders.

Prior to the August recess, it is the intention of the leader to complete action on the Agriculture appropriations bill, the Interior appropriations bill, and it is also hoped that the conference report to the tax reconciliation bill will be available for consideration.

I thank my colleagues for their attention.

### RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

### MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10:30 a.m. Senators are permitted to speak therein for up to 5 minutes each.

Under the previous order, the Senator from Nebraska or his designee is recognized to speak for up to 30 minutes.

Mr. HAGEL. Mr. President, I yield such time as I may require.

### AGRICULTURE APPROPRIATIONS

Mr. HAGEL. Mr. President, over the weekend in Nebraska, I met with a number of agricultural producers about the current prices in American agriculture. Over the last 3 weeks, my staff and I have spoken to over 100 agricultural producers in the State of Nebraska—hog producers, cattle producers, grain producers; and then the second rim, the outer rim representing the agricultural community—bankers, implement dealers, automobile dealers. All had a consistent theme as to what we must do to direct our attention and our effort to dealing with this crisis in America.

As we begin debate today on the fiscal year 2000 Agriculture appropriations bill and on the emergency appropriation for agriculture, we should keep in mind some important dynamics about American agriculture. Leaders of both parties in the Senate committed last week to including in the fiscal year 2000 Agriculture appropriations bill an emergency funding measure to provide the short-term assistance needed for our agricultural producers, and that assistance should include increasing the market transition payments—I am confident we will see legislation to do that—lifting the caps on loan deficiency payments, and additional funding for crop insurance. I know that part of Freedom to Farm in 1996 was the commitment to America's agricultural producers to, in fact, reform crop insurance. We are on our way in that area, but we have not yet arrived at that reform.

Crop insurance is a very key dynamic to the future of American agriculture. The emergency appropriations bill should include relief for livestock producers, and I am confident we will see that in both of the bills that will be presented today, plus other emergency measures.

As we address this immediate crisis, we must continue to work on the long-term priorities. The perspective is

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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clear. We have an immediate problem, and we will address that immediate problem. But let us not lose sight of the long-term priorities for American agriculture.

To do that we must focus on the demand side of the equation. When I talk about the demand side of the equation, I am talking about trade. I am talking about trade policies that encourage market development and the opening of new markets for our producers. We must continue to work for trade and sanctions reform—another critical component of the 1996 farm bill. I regret to say that Congress and the President have not done a very good job in the area of trade and sanctions reform. We are working on it, but we are a long way from being where we should be.

For example, it is estimated that current unilateral sanctions cost the U.S. economy more than \$20 billion each year. Who do we penalize? Who do we hurt? We hurt ourselves. We must stop using agricultural policy as a foreign policy weapon. Instead, we must extend a strong message to our customers and competitors around the world that U.S. agricultural producers are consistent and reliable suppliers of quality and plentiful agricultural products.

We need fast track authority for the President in order to reach trade agreements that will open more markets to our agricultural goods and allow our producers to compete on a level playing field.

Today we stand in a situation that is unprecedented in the last 25 years. This President of the United States has been without fast track negotiating authority since 1994. Obviously, there has been a lack of focus on priority on this issue. Every day the President does not have the authority to negotiate trade treaties and arrangements and deals, the European Union is doing it; the South American trade organization Mercosur is doing it; others are doing it. We are not. Do we not understand that we will pay a very significant price, a high price, for being moved out of those markets because we have not placed trade as a high priority? Fast track authority is certainly a very clear example.

We must work to break down protectionist barriers in the next round of the World Trade Organization negotiations being held this fall in Seattle and strongly oppose the European Union's delay on lifting the ban on hormone-enhanced beef.

We should work with China to encourage its entrance into the WTO. Do we really not understand that it is surely in the best interests of America, stability in the world, and new markets for all American products to have China in the World Trade Organization, not cutting corners but complying with all the necessary criteria to be a member of the WTO? It is in our best interests to continue to bring China into responsible organizations where China

has more responsibility and accountability and opens a market of 1.3 billion people. We need more focus in that effort.

The President must make trade a top priority. He must make trade a top priority and then lead. It is not good enough to say our trade ambassador will negotiate. The President sets the agenda; the President sets the priority. Presidents lead. The next President of the United States is going to be consumed with an immense series of challenges. The Congress needs to place a higher priority on working in these challenges.

We must fulfill our commitment to American agriculture for tax and regulatory reform. Our national tax policy should encourage long-term investment in production agriculture that helps our current producers stay in business.

We must reduce Government regulation and cut taxes. There are a number of things we can do, that we promised we would do in 1996:

Eliminate the estate tax. Our family farmers should not have to sell the family farm to pay taxes in order to keep the farm going. That cuts right to the core for our future and for the next generation of farmers;

Provide capital gains tax relief on the sale of the farmland by our producers, expanding on the exclusion given to homeowners in 1997. Eventually, we should abolish capital gains taxes. The Chairman of the Federal Reserve Board, Alan Greenspan, affirmed his view on that before the Senate Banking Committee;

Create tax-deferred farm and ranch risk management accounts to help ease fluctuations in income, thereby giving our producers another management tool;

Ensure that farmers and ranchers receive the full benefits of the permanent income-averaging provisions and not lose them because of the alternative minimum tax;

Obviously, we must eliminate the marriage penalty and provide 100 percent deductibility for health insurance premiums.

These are real; these connect; they are relevant. They will help American agriculture; they will help our country.

We must ease the regulatory burdens on our agricultural producers. The USDA, the EPA, and other regulatory agencies hit farmers with dozens of different regulations that tie up their land, they tie up their time, they tie up their capital, and reduce their efficiency and reduce their profits. To what end? What is the cost-benefit ratio?

Let's take a real-life example. Two of our biggest competitors, Brazil and Argentina, have been gaining in their share of the world's commodity trade, especially in corn and wheat. The Brazilians and the Argentines are able to make a profit on these crops at prices lower than production costs in the United States.

Why? There are many reasons we can measure. I will state a couple. The Brazilians and Argentines pay much lower taxes than our American agricultural producers pay. Second, they have fewer Government regulations to contend with. Their Government does not place added burdens on them, not only as producers but as marketers. Their Government actually helps. Their Government doesn't stand in the way. We need to do the same thing.

In 1996, we got the Federal Government out of the farmers' fields. Now we need to get the Federal Government off the farmers' backs.

In the short term, we must swiftly conclude action on an agricultural appropriations bill that will provide emergency relief to our commodity and our livestock producers. Over the long term, it is good public policy, domestically and internationally, to provide for abundant and inexpensive food. We can support that policy by adopting prudent Government policies, Government policies such as trade policies that encourage market development, policies which create international financial stability.

Here is a very clear example of how the globe connects, how all 6 billion people in the world connect. Stability is the base from which we work to help develop emerging democracies, market economies, opening new opportunities and new markets. All of our policies are connected—national defense, foreign policy, trade policy—and "ground" all of our other policies with an anchor of stability so that the people of the world will have the hope that they must have to have a better world and a better life. It gives all people of the world an opportunity to build bridges to each other.

We need tax policies which encourage long-term investments in production agriculture to help sustain our current producers. These are the most important ways we can help our farmers and our consumers, our taxpayers, and our international trade partners.

In the short term, we need to share the risks—yes, share the risks—that from time to time will adversely impact farming, such as has been the case for the last 2 years. We cannot sustain a long-term policy of providing abundant and inexpensive food without occasionally producing more than the market will absorb in the short term. We cannot control the weather or international markets. We need to factor in those realities of farming and not act shocked every time this happens.

Most agricultural producers I have spoken to, not just in the last month but in the last 4 years, 5 years, 10 years, do not believe that the United States should retreat to the 1980 set-aside, higher price support policies which they believe only extended and deepened problems of the 1980s and certainly would extend and deepen the current crisis. I agree.

To support production agriculture and sustain the producer base which

has contributed so much to our economic stability and prosperity, we need to provide short-term support to our agricultural producers now.

Congress needs to pass a realistic and a responsible emergency agriculture bill. The Congress must act this week.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HAGEL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### THE REGULATORY OPENNESS AND FAIRNESS ACT

Mr. HAGEL. Mr. President, last week, 20 of my colleagues of both parties joined me in introducing the Regulatory Openness and Fairness Act, a bill to amend the Food Quality Protection Act to ensure that the EPA used sound science in its evaluation of pesticide uses. This legislation is particularly relevant given yesterday's announcement by the EPA that they will ban two important pesticides.

Let me begin by saying that a safe food supply is, of course, in everyone's best interests. We all want to ensure that our children and American consumers continue to have access to abundant, safe agricultural products. It is in the best interests of consumers and agricultural producers that decisions on pesticide uses are based on sound scientific analysis—sound scientific analysis. That was the intent of the law which passed, with strong bipartisan support, 3 years ago. In 1996, Congress passed the Food Quality Protection Act to ensure the safety of our Nation's food supply. It passed with the overwhelming support of the agricultural industry and was seen as a much-needed modernization of laws governing all pesticide use.

As written and signed by the President, the FQPA requires the EPA to reassess all of the Nation's pesticides, using more data, taking more factors into account, and allowing greater margins of safety. The FQPA also requires that these standards be based on hard data and sound science, not arbitrary assumptions or computer models.

Under the FQPA, next week the EPA faces its first deadline for announcing its evaluation of some 3,000 uses of pesticides. As EPA prepares for its deadline, it has not fully used the sound scientific analysis called for in the 1996 FQPA bill. Instead, the EPA has relied on theoretical computer models and worst case scenarios in many of these cases. The EPA frequently prefers this approach, partly as a result of not having the resources or the time to focus. But this is not what Congress intended in 1996. We did not intend for farmers to lose the use of safe and effective pesticides. We did not intend for public

health officials dealing with pest control issues to lose the products that help them protect the public.

The bill my colleagues and I have introduced, the Regulatory Openness and Fairness Act, makes sure that EPA follows what was the intent of Congress 3 years ago. It will lessen the chance that safe and effective pesticides would be removed from the market without scientific justification; it provides a clear and predictable regulatory process based on scientific data; it streamlines the process for evaluating new pesticides; and it provides Congress with facts on how the act, as applied by the EPA, affects agriculture exports.

We cannot forget that crop protection allows our farmers to produce the grains, the fruits, and the vegetables that feed not just our Nation but the world. Unnecessary regulations have a dampening effect on the engine that has fueled America's economic growth. That engine is called productivity. If the FQPA is not implemented fully and fairly, based on sound science, we will unnecessarily place our agricultural producers at a very great competitive disadvantage in world markets. Production prices will increase, productivity will decrease, and consequently our farmers will see their exports decline. This is hardly the time to be placing extra, unnecessary burdens on America's farmers.

This bill is good for both consumers and agricultural producers. Consumers will continue to have safe, affordable, and abundant agricultural goods and farmers will continue to have the tools they need to produce safe, quality food products and to compete in the world market.

In Nebraska, we call that common sense. I am proud to join my 20 colleagues in a strong bipartisan effort to introduce the Regulatory Fairness and Openness Act.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. I ask unanimous consent to be recognized in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### LITTLE CONGRESSIONAL ACCOMPLISHMENT

Mr. DURBIN. Mr. President, we are coming to the end of one segment of this Congress. We are about to break for an August recess which is an opportunity for Members to be back in their States and with their families. I am looking forward to that, as I am sure are many of my colleagues. But it is a good time for us to reflect on what we have done and what we have failed to do in the last several months.

Each of us is elected with a responsibility to come to Washington and try to respond to some of the challenges facing families and individuals and businesses across America. I am sad to report as of this moment we have little

to show for our efforts this year. The Columbine shooting, which focused the attention of America on violence in our schools, rallied the Senate in a rare bipartisan fashion to deal with violence in schools. We passed the Juvenile Justice Act, which had sensible gun control provisions contained in it, and tried as well to attack this culture of violence which is becoming more dominant in our society.

If you will recall, it was a tie vote, 50-50. The tie was broken by Vice President GORE, the bill passed, it went over to the House, and was hopelessly mired down by the efforts of the gun lobby because of their resistance to any changes in gun control. So we are here today, the first part of August, with literally nothing to show for this whole issue of school safety. By the time we return, our kids will be back in school, another school year will have started, and this Congress will have failed to react to a problem that is on everyone's mind.

The second issue, one that continues to haunt us, is the issue of the Patients' Bill of Rights. Yesterday, I was in Bloomington, IL, and met with a group of doctors and nurses at hospitals to talk about what is happening with health insurance, how families feel so helpless when health insurance clerks are making decisions that doctors should make. When we tried to address it on the floor, sadly, we were defeated by the health insurance lobby, a lobby which continues to spend millions of dollars to overcome our efforts on behalf of patients and families. That, again, is another issue with which we failed to deal.

Finally, of course, we will be talking a lot this week about the tax break as well as the whole question of the budget. There are many of us who think the action by the Senate last week was not a very wise one. We have a chance now, if our economy recovers and continues to grow, to generate a surplus. Then we have to decide what to do with it. First and foremost, I think we should do no harm to this economy. The economy moves forward, creating jobs and businesses and new housing starts. Yet Alan Greenspan, the Federal Reserve Chairman, warns Congress on a weekly basis not to pass the Republican tax cut package, a \$800 billion tax cut primarily for wealthy individuals, which could fuel the fires of inflation and raise interest rates, jeopardizing home mortgages, business loans, and family farmers, who are trying to stay in business.

First and foremost, we ought to be cautioned that Alan Greenspan, who has no partisan interest in whose ox is gored in this battle, has warned us do not do it. Second, even when I go home and speak to the most conservative Republicans in my home State of Illinois, they say: If you have a surplus, Senator, for goodness' sake, the first thing you ought to do is get rid of the national debt, the \$5.7 trillion we have amassed in debts over the last, well,

two centuries plus, most of it in the last 10 or 15 years. That debt costs us \$1 billion a day. All across America we collect payroll taxes and income taxes—for what? To pay the interest on the debt, not to do something good and new for this country; not to improve education or the safety of our streets or to build new highways or mass transit. No, it is interest on the national debt.

So on the Democratic side, we think the highest priority, if there is to be a surplus, is to eliminate that debt. What legacy do we want to leave to our children? Wouldn't it be great to leave them a debt-free America and say to them: You have it here, the best country in the world, a history and tradition you can be proud of, and you do not have to pay for the debts of our generation.

That to me is so basic, so sound, in opposition to the concept that we are somehow going to give tax breaks to the wealthiest people among us as an alternative.

If we are going to do that and reduce the debt, we can do it in a fashion that is fair to everyone and do it in a way that preserves Social Security and Medicare. Many senior citizens are not even aware of the fact the Medicare system is in trouble. Yet it is. They would like to see Medicare expanded, as I would, to cover prescription drugs and to be even a better program so seniors can remain healthy and independent for a longer period of time. But, sadly, the Republican approach to this includes no money for Medicare, no money for Medicare out of this surplus. Do you know what that means? Seniors who are striving to be independent and healthy will not get a helping hand when they should. That is what this budget and tax debate has been about.

Sadly, that is where we find ourselves as we head toward the August recess—our failure to enact the juvenile justice bill to make our schools safer; our failure to enact the Patients' Bill of Rights so that people across America who have health insurance can believe they have a doctor they can trust and a doctor who is making decisions for them and their family; our failure to enact a bill to deal with our surplus which is responsible, a bill that will not jeopardize the economy, a law which, in fact, will make sure we reduce our debt and reduce these interest payments which we have to pay; and something that deals with the whole question of the solvency and future of Social Security and Medicare.

When I look at this Congress, it is sad, with all the talent we have on both sides of the aisle, Republican and Democrat alike, that we have been unable to come to any conclusion where we can go home in the month of August and point with pride to what we have accomplished.

Unfortunately, there is little we can point to.

Mrs. BOXER. Will the Senator yield for a question?

Mr. DURBIN. I would be happy to yield to the Senator from California for a question.

Mrs. BOXER. I thank the Senator for crystallizing where we are. When the Senator says we will go home and there is nothing we can point to, he is right. What happened to the juvenile justice bill and all the sensible gun control measures? Every day we wake up to some other horrible incident, and we are doing nothing to protect our children and our people from gun violence. It strikes me that the same thing happened with the Patients' Bill of Rights—nothing. The kind of sham bill that came across this place and passed isn't going to make any lives better.

But then, it seems to me, when our colleagues on the other side of the aisle do something, they do something bad. My friend was alluding to it. I just want to ask a couple questions on that point.

Is it not a fact that the tax bill which we passed did not allocate one slim dime for Medicare?

Mr. DURBIN. That is a fact. It has been a sad commentary that we know in the year 2015, if I am not mistaken, the Medicare system, as we know it—this current system—is going to go bankrupt, be insolvent. Many seniors want additional benefits to help them stay healthy and independent, like the prescription drug program which we support. When we made an effort on the floor, in a vote just last week we could not rally any support from the Republican side of the aisle for the prescription drug program so that seniors can stay independent and healthy. That, I think, is a shame.

I would like to go home this August and say to seniors and those of us soon to be in the program: We have done something positive. You can live a longer, more independent, and healthier life. But we can't even point to that. Instead, the Republicans suggest we can give tax cuts to wealthy people and special tax breaks to certain businesses.

Mrs. BOXER. I want to pick up on that Medicare question. Because when my friend said seniors want to live fuller lives, this is so true. That is where we are now. We have come such a long way with our health research and with our ability to take certain prescription drugs that help us live fuller lives; that when we look out into the future, with the demographic changes that are coming, this is our biggest challenge. How do we make sure that when we pass age 60, 65, 70, 75, we are living full lives?

This tax bill turns its back on this whole matter by doing zero for Medicare. They can say: Oh, we left a whole lot of money over here, and we can possibly use it, but the fact is, it is zero for something we know is coming down the road at us and something that is very important.

So it seems to me—and I would just ask my friend to comment; then I will yield the floor—that when we go home,

assuming this Republican tax bill continues to roll—and from what we can tell it may well continue to roll right through—what will have been done will be bad for Medicare, bad for paying down the debt, and threatens this economy. Just listen to Alan Greenspan. He is the one my friends from the other side of the aisle have followed very religiously.

Suddenly, Alan Greenspan gets up and says: You better not now. Don't stimulate this economy now. You could threaten recovery. They roll right over Alan Greenspan, and they are going to roll right over us. So we are going to go home and probably say they didn't do what they should have done on juvenile justice, sensible gun control, HMOs—fighting against them—and what they did do threatens this economic recovery and does nothing for Medicare. It is a bad deal all the way around.

The PRESIDING OFFICER (Mr. CRAPO). The time of the Senator has expired.

Mrs. BOXER. I ask for 1 additional minute.

Mr. DURBIN. I ask unanimous consent for 1 additional minute in morning business.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DURBIN. In response to the Senator from California, I agree with her. The sad thing is, if we give these tax cuts to the wealthiest among us, as proposed by the Republican bill, we are going to ultimately shortchange, in the outyears, some critically important programs for America, such as education.

Think about it. As we go into the 21st century, with all the demands on our children, what they need to learn to be competitive and succeed is the very best educational system. The Republicans, with their tax bill to create shortfalls in spending on education, are really shortsighted.

So as you look at it, here we stand on the third day of August, about to adjourn at the end of this week, with precious little to point to. We have been here for months. We have not listened to the American people. We have not responded to them. As we go home, I hope that we can build up some bipartisan approach as we conclude this year to address safety in schools, the Patients' Bill of Rights, and a sensible approach to using any budget surplus that is good for the long-term needs of America.

I thank the Senator from California for joining me on the floor.

Mrs. BOXER. I thank my friend.

The PRESIDING OFFICER. Under the previous order, the Senator from Rhode Island, Mr. REED, is recognized for up to 10 minutes.

PRIVILEGE OF THE FLOOR

Mr. REED. I ask unanimous consent that a fellow in my office, Ms. Barbara Murray, be granted floor privileges during the pendency of my discussion on the child care quality incentive bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. REED pertaining to the introduction of S. 1475 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. REED. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### ORDER OF PROCEDURE

Mr. CONRAD. Mr. President, I ask unanimous consent that I may be permitted to continue past the hour of 10:30 in morning business.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

#### THE FARM CRISIS

Mr. CONRAD. Mr. President, I wanted an opportunity to talk about the farm crisis that is now facing our country, and certainly facing my State. I represent North Dakota, which is one of the most agricultural States in the Nation. There is no question that our farmers are facing a crisis of really unprecedented proportion.

As I go around my State, every place that I have a farm meeting, farmers have a sense of hopelessness. One of the reasons is that is happening to farm income. I have just come from a hearing where the Secretary of Agriculture is testifying. We were talking there about the pattern of farm income. It is very interesting, if you back out Government payments, which have been increasing now in the last several years in response to this economic calamity—in 1996, farm income absent Government payments was \$46 billion.

This year farm income, absent Government payments, is estimated to be \$27 billion. Farm income from the prices that farmers receive for the commodities they sell is in a virtual free-fall.

This chart shows headlines from the newspapers back home talking about what is happening to farm prices. The first one is from the major paper in our State: "Going down, down, down. USDA sees lower prices for wheat, corn, soybeans, and other major crops."

Another major story: "Lower crop prices predicted."

Again, the story is the same—collapsing farm prices.

Farmers have been hurt by more than low prices. They have been hurt by what I call the "triple whammy" of bad prices, bad weather, and bad policy.

The bad prices are right at the heart of what is causing this farm collapse.

This chart shows farm prices of two major commodities, wheat and barley, for a 53-year period. It really tells the story.

These are inflation-adjusted prices. So we are comparing apples to apples.

These are what farmers have been receiving for these major commodities from 1946 to 1999. You can see that the blue line is wheat. Wheat has gone from almost \$18 a bushel back in the 1940s to about \$2.50 a bushel today—a long-term price decline without many real interruptions, although we saw a major one back in the 1970s. We all remember that period when farm prices skyrocketed. But absent that, we have really been in a long-term price decline for wheat, barley, and many other commodities as well.

I think this chart tells a very important story because it compares the prices farmers receive for what they sell and the prices they pay for what they buy.

The green line goes back to 1991 and shows what prices farmers are paying for the inputs that they must buy to produce crops. You can see that the prices farmers pay have been going up very sharply. On the other hand, prices that farmers have been receiving went up to a peak in 1996—interestingly enough, right at the time we passed the last farm bill. In fact, we were told at the time we would see permanently high farm prices. That proved to be absolutely wrong. Those permanently high prices lasted about 90 days. Since then, we have seen a virtual price collapse.

Just as I indicated before, prices farmers have been receiving have been dropping dramatically, and the prices for the things they pay have been rising inexorably. That creates this enormous gap between the prices they are paying and the prices they are receiving. That is what has led to that reduction in farm income I talked about in my initial remarks. This is a crisis by any definition.

If we look at what is happening to individual commodities in relationship to the prices farmers receive and the actual costs of producing those commodities, we can see it very clearly.

This is what has happened with respect to wheat prices. The green line is the cost of production. The red line is the prices farmers are receiving for their product. You can see the prices farmers receive are far below the costs of producing the product. That is what has led to this cash flow crunch. That is why farmers are telling us: If you do not take dramatic action, tens of thousands of us are going to go out of business.

In my State, the estimates are that we will lose 20 or 30 percent of our farmers in the next 18 months unless we act. Let me repeat that. In North Dakota, we are being told by the experts at the State university and major farm organizations that unless we act we will lose 20 to 30 percent of the farmers in my State in the next 18 months. That is a crisis.

It is not just in wheat. You see the same pattern. This is soybeans. We don't grow many soybeans in North Dakota. Soybeans are grown further south and to the east. But you can see the same kind of pattern.

Here is the cost of production. Here is what the farmers are receiving. Since 1997, farmers are well below the cost of production with respect to soybeans. In wheat, the pattern is the same, and in soybeans. But there are other crops as well that are critically important.

This shows what has happened in corn. The red line again is the price. The green line is the cost of production. Since 1997, we have been below the cost of production in corn.

You can't stay in business very long in that circumstance. You can't stay in business very long when you are getting less in terms of a price for your product than what it costs you to produce that product. You can hang in there a while as you give up equity and as you go backwards on your balance sheet, but at some point the banker comes calling. He says: Mr. farmer, you are out of business. You can't continue to lose equity.

The result has been that we have started to lose farm families in my State in a very dramatic way. Back in 1989 we had over 28,000 family farmers in our State. We can see that we held that in 1990, and in 1991 we saw a drop of about a thousand farmers. Then, in 1992, we actually got some recovery. In 1993, we dropped down to about 26,000. Since then, it has been a constant erosion, so that now we are down to about 22,000 family-sized farms in our State. It is really a dramatic decline in the last 20 years—almost a 20-percent drop.

Remember what I said. The experts are telling us now that we could see another 20-percent drop in just the next 18 months—perhaps even more than that; perhaps even as much as a 30-percent loss unless we act.

What are the reasons for this? Part of the reason is the financial collapse in Asia and the financial collapse in Russia because those were major customers for our farm commodities. But there are other reasons as well.

I believe one of the key reasons is the budget decisions that were made at the time of the last farm bill. The last farm bill had some strengths to it, some pluses. The biggest strength, I believe, is the flexibility it provided to farmers to plant for the market rather than a farm program. But we also made some budget decisions at the time that made it very difficult to write any kind of reasonable farm bill.

This chart shows what I am talking about. It shows the resources that were provided to agriculture under the previous farm bill. That averaged \$10 billion a year. The new farm bill provided \$5 billion a year. In other words, the support for agriculture was cut in half at the time of the last farm bill.

That has special implications because if we look at what was happening

with our major competitors, we see that they were doing something quite differently. While we were dramatically cutting our support for producers, our European competitors—our major competitors—were maintaining very high levels of support. The Europeans were spending, on average, \$44 billion a year—on average, \$6 billion for us. This is from 1996 to 1999, just those 3 years. You can see that the Europeans really have us whipsawed. They are outspending us seven to one. They are winning their competition the old-fashioned way. They are buying these markets. That is what the Europeans are up to.

Unfortunately, we are engaged in unilateral disarmament. We are cutting in the face of massive superiority on the other side. One of the chief trade negotiators for the Europeans told me several years ago: Senator, we believe we are in a trade war in agriculture. We believe at some point there will be a cease-fire. We believe there will be a cease-fire in place, and we want to occupy the high ground. The high ground is market share.

That is exactly what they are up to. And how well it is working. They have gone, in 20 years, from being major importers to being major exporters. In fact, they have surpassed the United States in terms of agriculture exports. One of the ways they have done it is to spend enormous sums of money to put themselves in a position of superiority.

This chart shows how the European Union is flooding the world with agricultural export subsidies. This is the European share of world agricultural export subsidies, accounting for nearly 84 percent of all world agricultural export subsidies; the United States' share, this little red piece of the pie, is 1.4 percent. They are outgunning the United States 60 to 1.

It is no wonder farm income is declining. It is no wonder exports are declining. It is no wonder our farmers are under enormous pressure. They are under enormous pressure because our European friends have a plan and a strategy to dominate world agricultural trade. Again, they are doing it the old-fashioned way: They are buying these markets. They think the United States is asleep. They think we will not fight back. They have told me: Senator, we think you are so prosperous in so many other areas, you will give up on agriculture.

So far, we are proving them right. We are engaged in unilateral disarmament in a trade confrontation. We would never do it in a military confrontation. Why are we doing it? Why are we giving up and letting them dominate world agricultural trade? What are the implications this fall when we go to negotiate with them? I can tell you what I believe the implications are. I believe we are headed for a guaranteed loss.

I was referring to the trade negotiator for the Europeans saying to me they believe we are in a trade war. They believe at some point there will

be a cease-fire. They believe there will be a cease-fire in place, and they want to occupy the high ground. The high ground is market share. He is right. That is the high ground. We are headed into negotiations with them this fall, and we have no leverage. How will we possibly get a good result when they have America outspent 7 to 1 in overall support, 60 to 1 in export subsidies? How are we going to win that negotiation? What is our leverage to change this relationship? There is no leverage. We are going to lose unless we do something.

I personally believe we have to rearm in agriculture, to put more resources into the fight, to send the Europeans a clear and unmistakable message that the United States is not going to roll over; we are not going to surrender; we are not going to wave a white flag and turn over world agricultural trade to them; we will insist on a level playing field.

In the last trade negotiation, that gap existed as well. The Europeans have a much higher level of support than we have. Did that gap close? Did our level of support go up? Did the European level go down? Did the gap close? No, it did not. Instead, we got equal percentage reductions on both sides from an unequal base, leaving the Europeans in the superior position.

If we look back at the last trade negotiation, we got a 36-percent reduction in export trade subsidy and a 24-percent reduction in internal support on both sides. But the Europeans were at a much higher level. When there are equal percentage reductions from unequal bases, the Europeans remain in a superior position. It does not take a whole lot to figure out that if we continue that pattern of equal percentage reductions from an unequal basis, we will continue to leave the Europeans in a superior position; we will continue to leave our farmers at a competitive disadvantage; we will continue to sign the death warrant of tens of thousands of family farmers.

That is the hard reality of what we confront. We have before the Senate a disaster response. It is clearly called for. It is clearly necessary to meet this collapse of farm income and to meet these adverse weather conditions.

With respect to weather, in my State there are 3 million acres of land not even planted this year. There are millions more planted very late because of overly wet conditions. It may sound strange out here on the east coast. I saw a story in an east coast newspaper that in one location they are out painting the grass green because of the drought. We can't paint a crop; we can't go out and paint wheat and somehow make it healthy. We can't paint corn. It doesn't work. Maybe one can paint a lawn. I have never seen that done. It sounds rather bizarre to me, but that is what they were doing in New Jersey the other day. They were painting the lawn green, trying to respond to this drought. That is an un-

usual response. But it is not going to work in agriculture. Farmers in West Virginia, in Delaware, and in Maryland cannot go out and paint a crop. That will not do the job. The fact is, they don't have a crop.

In my part of the country it is not drought; it is overly wet conditions, 5 and 6 years of incredibly wet conditions. You cannot even get into the fields to plant. There has to be a disaster response. It has to deal with the bad weather. It has to deal with these ruinously low prices. Yes, it has to deal with the bad policy of putting our farmers at a severe disadvantage to their European competitors.

We are telling our farmers: Go out there and compete against the French farmer, the German farmer; and while you are at it, take on the French and German Governments as well. That is not a fair fight. We have to help level the playing field.

Yes, there has to be a disaster response, absolutely. But there has to be more than that. There has to be a long-term policy response. We have to be able to say to our European competitors that the United States is not going to roll over; we are not going to surrender; we are not going to give up the agricultural markets; we intend to fight.

That is why I have introduced legislation we call the Fight bill, Farm Income and Equity Act, to level the playing field. If the Europeans are going to play the game this way, we will play it that way. We will fight back. We will put our farmers in a place that they can compete. That is fair. That puts us in a position to go to the next trade talks and have a chance to come out winners rather than losers.

Mr. COCHRAN. Will the Senator yield?

Mr. CONRAD. I am happy to yield to the Senator.

Mr. COCHRAN. I don't recall when the Senator began talking, but we were to go back on the bill at 10:30. I understand we are not on the bill. I was going to ask if the Senator would yield for that purpose.

Mr. CONRAD. I am happy to yield. I just reached the conclusion.

I am happy to yield with the concluding thought that we do need to respond. We need to respond to this disaster emergency. We also need to respond with a longer-term policy change.

I yield the floor.

#### CBO COST ESTIMATE—S. 244

Mr. MURKOWSKI. Mr. President, on July 30, 1999, I filed Report 106-130 to accompany S. 244, the Lewis and Clark Rural Water System Act of 1999, that had been ordered favorable reported on July 28, 1999. At the time the report was filed, the estimate by the Congressional Budget Office was not available. The estimate is now available and concludes that enactment of S. 244, which authorizes the appropriation of \$244



million to the Department of the Interior to make grants to the Lewis and Clark Rural Water System, would cost \$62 million over the 2000–2004 period, with the rest of the authorized spending coming after 2004. I ask unanimous consent that a copy of the CBO estimate be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
Washington, DC, August 2, 1999.

Hon. FRANK H. MURKOWSKI,  
Chairman, Committee on Energy and Natural  
Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 244, the Lewis and Clark Rural Water System Act of 1999.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Kim Cawley, who can be reached at 226–2860.

Sincerely,

BARRY B. ANDERSON  
(For Dan L. Crippen, Director).

Enclosure.

S. 244.—*Lewis and Clark Rural Water System Act of 1999*

Summary: S. 244 would authorize the appropriations of \$224 million to the Department of Interior (DOI) to make grants to the Lewis and Clark Rural Water System for the construction of a drinking water supply project. The Lewis and Clark Rural Water System is a group of cities and rural areas in southeastern South Dakota, northwestern Iowa, and southwestern Minnesota. CBO estimates that implementing S. 244 would cost \$62 million over the 2000–2004 period, with the rest of the authorized spending coming after 2004.

Enactment of this bill would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). State and local governments might incur some costs as a result of the bill's enactment, but these costs would be voluntary.

Estimated Cost to the Federal Government: The estimated budgetary impact of S. 244 is shown in the following table. The costs of this legislation fall within the budget function 300 (natural resources and environment).

#### SPENDING SUBJECT TO APPROPRIATION

	By fiscal year, in millions of dollars				
	2000	2001	2002	2003	2004
Authorization Level .....	224	0	0	0	0
Estimated Outlays .....	1	2	9	25	25

Basis of Estimate: For purposes of this estimate, CBO assumes that the full amount of the authorization will be provided in 2000. We estimated the annual amount of spending on this drinking water system construction project using information from the local water system and historical spending rates for similar projects. Completion of this project is expected to take about 12 years.

Pay-as-You-Go Considerations: None.

Estimated Impact on State, Local and Tribal Governments: S. 244 contains no intergovernmental mandates as defined UMRA. The bill would require that the non-federal share of project costs equal 20 percent, except for the incremental cost of participation in the project by the city of Sioux

Falls. The city would be required to pay 50 percent of that cost. Any State or local governments choosing to participate in the project authorized by this would do so on a voluntary basis, and any cost that they might incur would be accepted by them on that basis.

Estimated Impact on the Private Sector: This bill contains no new private-sector mandates as defined in UMRA.

Estimate Prepared by: Federal Costs: Kim Cawley (226–2860); Impact on State, Local, and Tribal Governments: Marjorie Miller (225–3220).

Estimate Approved by: Paul N. Van de Water, Assistant Director for Budget Analysis.

#### TRIBUTE TO CAPTAIN JENNIFER SHAFER ODOM

Ms. MIKULSKI. Mr. President, it is with great sadness that I rise to pay tribute to the life of Captain Jennifer Shafer Odom. She died on a mountain-side in Colombia—where she was defending our Nation and our values.

This morning, her grieving family is at Dover Air Force Base—to bring their daughter home for the last time.

On July 23, Captain Odom was on an Army reconnaissance plane that was flying near a major drug-producing region of Colombia. During bad weather, the plane crashed into a mountain-side—killing the five Americans and two Colombians on board. These brave soldiers were casualties in our war against drugs. They were fighting to keep drugs off our streets and out of our schools. They know that this is essential to our national security and our national values.

Captain Odom grew up in Brunswick, Maryland. She was a valedictorian at Brunswick High School. She was active in so many areas—from sports to theater.

As a scholar, an athlete and a leader—it's not surprising that she chose to attend the U.S. Military Academy at West Point. She wanted to use her many talents to serve her country.

She graduated from West Point in the top quarter of her class. She served in the United States Army with valor and distinction—raising to rank of Captain.

But it is not just for her accomplishments that she will be missed. I've spoken to her family several times in the past few days. What comes across is their pride in the kind of person that she was. She was so dear to her friends and neighbors that the entire community joined in a prayer chain to pray for her and for her family.

Captain Jennifer Shafer Odom served our country with distinction. Her courage and her sacrifice remind us that our freedom abides in the heroism of pilots like Captain Odom.

Her death was a tragedy—but her life was a triumph. She leaves behind a grieving husband, and her heartbroken parents. I ask my colleagues to join me in keeping Captain Odom and her family in our prayers.

#### HOLOCAUST SURVIVORS' ASSETS

Mr. ABRAHAM. Mr. President, I rise today to discuss the Holocaust Era Assets Tax Exclusion Act amendment to the Taxpayer Relief Act of 1999. I am pleased that this amendment was cleared on both sides of the aisle and has been accepted by the full United States Senate. The passage of the Abraham-Fitzgerald-Moynihan-Schumer Holocaust Era Assets Tax Exclusion Act amendment by unanimous consent, demonstrates beyond shadow of a doubt the United States Senate's firm solidarity with those who suffered during the Holocaust. In addition, I would like to offer my sincere gratitude to Chairman ROTH for his leadership and support during this process, without which we might not have had this opportunity to pass such important legislation.

The passing decades have not obscured the horrors of the Nazi regime and the horrors it committed during its 12 years in power. Many people in America and around the world live every day with memories of atrocities they suffered during this terrible time. Rounded up, placed in ghettos or death camps, left to starve or tortured and murdered, millions had their lives taken from them, figuratively and literally.

We must never forget these atrocities. Thanks to the hard work of many, particularly within the Jewish community, we have numerous reminders of this inhumanity which can and should increase our awareness and our commitment to preventing any such events from occurring ever again. But there is more that we must do. Only recently has public attention been properly directed toward another great crime of the Nazi regime and those who cooperated with it: the systematic looting of Jewish economic assets. In addition to committing outright theft and looting, the Nazis seized liquid assets that could be converted easily into cash, such as insurance policy proceeds and bank accounts. Documents discovered over the past several years show that the Nazis specifically targeted insurance policies held by Jews as a source of funding for their expansionist, totalitarian regime.

I am sorry to say that some insurance companies also specifically (and illegally) targeted Jewish families. Knowing that Jewish policy holders soon would be taken to concentration camps, these firms sold specifically tailored policies, taking as much cash as possible up front, with no intention of honoring their obligations.

After the war, Holocaust survivors struggling to restart their lives tried to collect on their policies, access their bank accounts and/or reclaim assets that had been illegally seized from them. Unfortunately, governments, banks, and insurance companies failed to fulfill their duty to treat Holocaust victims with justice and dignity. Instead, they refused to honor policies or return stolen assets. In this way, survivors of the Holocaust were victimized

twice, first by the Nazis, then by the financial institutions that deprived them of their assets.

Today, after over 50 years of injustice, Holocaust survivors and their families are finally reclaiming what is rightfully theirs. It is high time these victims of oppression finally got back some of the property stolen from them. It also is time, in my view, that the rest of us stood up to protect them from further raids on their assets. Under current law, any money received by Holocaust survivors in their settlements with banks and other organizations that once cooperated with the Nazis is treated as gross income for federal tax purposes. And that's just plain wrong.

My colleagues and I offer this amendment to prevent the federal government from imposing income tax on any settlement payments, received by Holocaust survivors or their families resulting from a Holocaust claim. We do so because we feel it is morally imperative that we stand with the victims of this injustice, and that this nation not treat as income what is in fact the return of what had been stolen.

Specifically, our amendment would allow a Holocaust survivor or the surviving heirs to receive a tax exemption for any monies received as payment resulting from a Holocaust claim from any international fund for survivors.

This would include settlements from the action "*In re Holocaust Victims' Asset Litigation*" or any other similar lawsuit, including actions already settled.

Also included would be the value of any land recovered from a foreign government as a result of a settlement arising out of the illegal confiscation of such land in connection with the Holocaust.

The victims of the Holocaust have suffered far too much for any such taxation to be just. These settlements represent but a fraction of what is owed to those who suffered under Nazi tyranny. To treat them as income subject to taxation would be to add a new injury to the old.

Mr. President, we cannot undo the evil acts of the Nazi regime. But we can put ourselves firmly on the side of those who suffered so unjustly by passing this amendment. By excluding Holocaust settlement monies from taxation, we will show that we understand what justice demands of us as we face the continuing consequences of an unjust regime.

#### KOSOVO'S DEADLY LEGACY

Mr. LEAHY. Mr. President, as NATO soldiers struggle to keep the peace in Kosovo, war crimes investigators labor to identify and exhume bodies from hundreds of mass graves, and the costly effort to rebuild homes and communities gets underway, we are seeing a repeat of many of the challenges that confront any post-conflict society.

One I want to mention today is a threat that is hidden among the debris,

killing and horribly injuring civilians and NATO peacekeepers indiscriminately as they work to rebuild what was destroyed in the war.

The threat is unexploded ordnance, and in Kosovo that means landmines left by the Serbs and the Kosovo Liberation Army, and cluster bombs dropped by NATO forces, mostly by American aircraft.

I have often spoken about the problem of landmines. There are tens of thousands of them scattered in the fields, forests, and roads of Kosovo.

Each one is designed to blow the legs off the unsuspecting person who triggers it. Usually it is a farmer, or child, or some other innocent person trying to rebuild a normal life. The United States is helping to clear the mines, but it is a tedious, costly, and dangerous job.

But even more than landmines, it is unexploded cluster bombs which pose the greatest danger to civilians and NATO peacekeepers in Kosovo.

Cluster bombs are a favorite anti-personnel weapon of the U.S. military, and hundreds of thousands of them were dropped by NATO planes over Kosovo. They cover wide areas, are designed to explode on impact, and they spread shrapnel in all directions.

People and lightly armored vehicles are the usual targets, but since cluster bombs are often dropped from high altitudes they often miss the target.

Not only do they too often miss the target, between 5 and 20 percent of cluster bombs do not explode on impact. According to the State Department, there may be as many as 11,000 of these deadly bomblets currently lying on Kosovo soil, waiting for someone, anyone, to walk or drive by and set them off.

Unlike landmines, their location cannot be accurately mapped. We do not know where they are. Like landmines, it is the victim who pulls the trigger.

The usual victims of these explosions, like landmines, are innocent civilians, not military targets. And they remain active for years. In Laos, where millions of United States cluster bombs were dropped during the Vietnam war a quarter century ago, people are still losing their lives, their limbs, and their eyesight from these weapons.

Cluster bombs do not discriminate. NATO peacekeepers are not immune. Children are not immune. Approximately 5 Kosovars each day are killed by unexploded ordnance, mostly U.S. cluster bombs. Over 170 people have died this way since the war ended.

Even though we have known about this problem for decades, little has been done to try to minimize the harm to civilians from cluster bombs.

Recently, to its credit, the Pentagon began studying this problem. There are two things that could and should be done immediately.

First, we need to significantly reduce or eliminate the problem of dud cluster bombs that remain active and dangerous. We have the technology to

make landmines self-destruct or self-deactivate after a short period of time.

Why can't that same technology—usually a simple battery that runs out after a few hours—be applied to cluster bombs? It needs to be done.

Second, the Pentagon should revisit its rules of engagement for using cluster bombs. In Kosovo, NATO showered cluster bombs over densely populated areas. Was this militarily necessary or justified? Was it consistent with international law?

Since too often they miss the target, what limits should be imposed on where and when cluster bombs can be used so the innocent are not harmed? These questions need answers.

I am not the only one concerned about this. The same concerns have been conveyed to me by active duty and retired members of our Armed Forces. Just recently, the House Armed Services Committee included language in its report accompanying the fiscal year 2000 National Defense Appropriation Act, which directs the Secretary of Defense to establish a defense-wide program to develop affordable, reliable self-destruct fuses for munitions.

I see a real problem, and countless tragedies, resulting from the way these munitions are designed and used. We can do better.

There is always too much death and destruction in any military conflict. The lingering threat of landmines and unexploded bombs can be significantly reduced. If implemented, the changes I have suggested could save many innocent lives in the aftermath of war.

Mr. President, I ask unanimous consent that a brief article and a letter to the editor about cluster bombs that appeared in the August 3 Washington Post, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, August 3, 1999]

#### THE REMAINS OF WAR

U.S. warplanes dropped 1,100 cluster bombs during Operation Allied Force against Yugoslavia, says the Defense Department. Each contained 202 bomblets. That's 222,200 bomblets each. With a dud rate of 5 percent, it is likely, a DOD spokesman said, that about 11,110 bomblets are sitting around unexploded.

#### DUDS KEEP ON KILLING

The problem of high dud rates in cluster bombs has been well known to the military for years. The 5 percent dud rate mentioned in "NATO 'Duds' Keep Killing in Kosovo" [front page, July 19] must be characterized as more of a prayer than a fact: Dud rates among cluster munitions were as high as 30 percent during the Vietnam War. Dud rates during the Gulf War were as high as 20 percent.

Laos remains littered with millions of duds in unmarked minefields. They continue to kill farmers who strike them with implements and children who mistake them for toys. Many young victims' parents were not even born when the United States dropped these weapons in unprecedented numbers. The grandchildren of Kosovars and Serbs



alike will die as they discover unexploded bombs in the future.

The military was aware of how attractive these "bomblets" are. Numerous similar stories came out of the Gulf War explaining that the brightly colored and appealing shapes made unexploded cluster bombs irresistible to child and soldier alike.

These weapons should be banned from the U.S. arsenal and arsenals around the world.—  
VIRGIL WIEBE.

#### THE NEW MILLENNIUM CLASSROOMS ACT

Mr. ABRAHAM. Mr. President, I rise today to discuss the New Millennium Classrooms Act amendment to the Taxpayer Relief Act of 1999. I am pleased that this amendment was cleared on both sides of the aisle and has been accepted by the full United States Senate. The passage of the Abraham-Wyden New Millennium Classrooms Act amendment by unanimous consent, demonstrates beyond shadow of a doubt that the United States Senate is firmly committed to bringing quality high technology to schools and seniors. This provision will go a long way toward ensuring our nation's technological and economic leadership in the New Economy.

First, I would like to take this opportunity to thank the Chairman for his leadership and support during this process, without which we might not have had this opportunity to pass such important legislation. In addition, I would like to express my thanks to Senator WYDEN who has worked closely with me to develop this strong legislation which would bridge the digital divide between technological haves and have-nots, ensuring that all our nation's students, and seniors, enjoy access to quality technology and the Internet.

When I first introduced this legislation, I was joined by Senators WYDEN, HATCH, KERREY, COVERDELL, DASCHLE, JEFFORDS, LIEBERMAN, ALLARD, GORTON, BURNS, and MCCONNELL. Like me, they believe it will encourage companies and individuals to donate more computers to schools, helping these institutions train kids for jobs in the fast-growing high technology sector of our economy. Since then we have been joined by 14 additional colleagues from both sides of the aisle.

Mr. President, our kids must be prepared for the jobs of the 21st century, which requires training and experience with computers and the Internet. Unfortunately, not enough schools have the equipment they need to teach the essential skills our kids and our nation need to keep our economic future bright.

Education Secretary Riley recently testified before the Joint Economic Committee, saying that he expects us to see 70 percent growth in computer and technology-related jobs in the next six years alone. In less than six months, 60 percent of all jobs will require computers.

However, Mr. President, our classrooms have too few computers. And the

computers they do have are so old and outdated that they cannot run the most basic software or even access the Internet. One of the more common computers in our schools today is the Apple IIc, a model so archaic it is now on display at the Smithsonian.

Mr. President, the problem is even worse for those already disadvantaged. A recent Commerce Department report, *Falling through the Net: Defining the Digital Divide* shows a growing divide between technological haves and have-nots. Among the study's findings:

The gap between white and black/Hispanic households with incomes between \$15-\$35,000 per year has increased, from 8% five years ago to 13% today.

Households with annual incomes of at least \$75,000 are more than 20 times as likely to have Internet access than households at the lowest income levels.

All this points up the need to encourage access to the Internet from computers outside the home. Access translates into usage, then experience and knowledge. Bringing high technology to schools, especially schools in economically disadvantaged areas, and senior centers will provide students and seniors the opportunity to succeed in the next millennium that they might not have had otherwise.

The Detwiler Foundation, an organization with unparalleled status as a facilitator of computer donations to K-12 schools nationwide, estimates that if just 10 percent of the computers taken out of service each year were donated to schools, the national ratio of students to computers would be brought down to five to one, or even less.

Mr. President, this amendment, through tax incentives, would increase the amount of computer technology donated to schools.

Our amendment would do the following:

First, allow a tax credit equal to 30 percent of the fair market value of the donated computer equipment, including computers, peripheral equipment, software and fiber optic cable related to computer use, generally, and a 50 percent credit for donations made within designated empowerment zones, enterprise communities, and Indian reservations. Increasing the amount of the tax credits for donations made to schools and senior centers in economically-distressed areas will increase the availability of computers to the children and seniors who need them most.

Second, increase the age limit to include equipment three years old or less. Many companies update their equipment every 3 to 5 years. Yet three year old computers equipped with Pentium-based or equivalent chips have the processing power, memory, and graphics capabilities to provide sufficient Internet and multi-media access and run any necessary software.

Third, expand the pool of eligible donors. By expanding the number of donors eligible for the tax credit we can increase the number of computers available as well.

In addition, this amendment would require that donated computers include an installed operating system. Sophisticated hardware can be easily damaged during transport or even when the donating company's private files and documents are removed. Without the operating system, it could be weeks before the school is aware of any problems concerning the donation. Further, inclusion of an operating system will ensure that students can begin using the machines as soon as they are plugged in, without further burdening school budgets with the added purchasing costs of an operating system and license.

This amendment has been endorsed by: the National Association of Secondary School Principals, Microsoft, The Information Technology Industry Council, The National Association of Manufacturers, The Technology Training Tax Credit Coalition, 11 senior executives of leading technology companies and venture capital firms, The National Association of State Universities and Land Grant Colleges, TechNet, and the United States Chamber of Commerce.

All of these organizations agree that this amendment will provide powerful tax incentives for businesses to donate high-tech equipment to our classrooms.

Mr. President, without duly increasing federal expenditures or creating yet another federal program or department this amendment will give all our children an equal chance to succeed in the new millennium.

I yield the floor.

#### DR. GERALD WALTON, RETIRED UNIVERSITY OF MISSISSIPPI PROVOST

Mr. LOTT. Mr. President, today I want to honor a man of integrity, perseverance, intellect, and dedication. Dr. Gerald Walton recently retired from my alma mater, the University of Mississippi. Dr. Walton has served Ole Miss for nearly forty years in several capacities ranging from a part-time English instructor in 1959 to the position of Provost from which he is retiring.

Born and raised in Neshoba County, Mississippi, Dr. Walton has been a great servant of higher education in Mississippi. He graduated from the University of Southern Mississippi in 1956 with a degree in English. He then attended Ole Miss, where he obtained his master's degree and then his doctorate. Dr. Walton's next step was a stint as a teaching assistant. Once he got his foot in the door, he quickly gained the respect of his colleagues and began to move up in the ranks. He has demonstrated exemplary commitment to public education.

In addition to managing the demands of a career in academia, Dr. Walton has been dedicated to his family. He has always put his wife and three daughters first. I am envious of all the free time he will have for his four grandchildren.

Mr. President, Dr. Walton has stood the test of time. He has adjusted to the many changes Ole Miss and our society have experienced. Dr. Walton has always stood by his principles of right and wrong, which were first professionally tested in 1962. He was one of only a handful of faculty who publicly supported James Meredith and the integration of Ole Miss. Several members of the faculty advised him not to sign a letter of support, but as Dr. Walton would say, "I felt it was the right thing for me to do." His character was challenged early and he passed with flying colors.

Dr. Walton's abilities and personal demeanor have made him one of the favorite administrators on campus, a fact which is evidenced by his holding several leadership positions during his tenure at Ole Miss. He has been described as modest and deeply principled. Often, Dr. Walton has been the one who carried the responsibility and made crucial decisions, but he shies from the spotlight, and allows others to be recognized and applauded. Today, we applaud Gerald Walton.

Mr. President, at Ole Miss, Dr. Walton has proven himself to be multi-talented. He has served the University as a teaching assistant, Assistant Professor, the Director of Freshman English, the Associate Dean and Dean of Liberal Arts, Associate Vice Chancellor for Academic Affairs, Interim Chancellor, and finally in the position of Provost. In each of his positions, Dr. Walton has been the type of leader for whom every one of his students and colleagues would do most anything. Other contributions on his long list of accomplishments are the roles he played in organizing the first Faulkner and Yoknapatawpha Conference and the Oxford Conference for the Book.

Mr. President, Dr. Walton is not one to brag on himself, but never thought twice about bragging on the University or his colleagues. I am pleased to have the opportunity to honor such a deserving individual. I trust that the Senate will join me in congratulating Dr. Gerald Walton on his retirement from a distinguished career at the University of Mississippi. My dear friend, Chancellor Robert C. Khayat, said it best when he was speaking of Dr. Walton. He said, "Truly, Gerald Walton can move into the next phase of his life knowing that the words, 'Well done, my faithful servant,' apply to him."

#### THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, August 2, 1999, the Federal debt stood at \$5,626,552,692,300.04 (Five trillion, six hundred twenty-six billion, five hundred fifty-two million, six hundred ninety-two thousand, three hundred dollars and four cents).

Five years ago, August 2, 1994, the Federal debt stood at \$4,648,620,000,000 (Four trillion, six hundred forty-eight billion, six hundred twenty million).

Ten years ago, August 2, 1989, the Federal debt stood at \$2,815,326,000,000 (Two trillion, eight hundred fifteen billion, three hundred twenty-six million).

Fifteen years ago, August 2, 1984, the Federal debt stood at \$1,555,562,000,000 (One trillion, five hundred fifty-five billion, five hundred sixty-two million).

Twenty-five years ago, August 2, 1974, the Federal debt stood at \$475,930,000,000 (Four hundred seventy-five billion, nine hundred thirty million) which reflects a debt increase of more than \$5 trillion—\$5,150,622,692,300.04 (Five trillion, one hundred fifty billion, six hundred twenty-two million, six hundred ninety-two thousand, three hundred dollars and four cents) during the past 25 years.

#### TOBACCO MARKETS IN SOUTH CAROLINA

Mr. HOLLINGS. Mr. President, I rise today to discuss the opening of the 1999 tobacco marketing season in my home state of South Carolina. According to the U.S. Department of Agriculture, the United States is one of the world's leading producers of tobacco. It is second only to China in total tobacco production. Tobacco is the seventh largest U.S. crop, with over 130,000 tobacco farms in the United States.

In South Carolina, tobacco is the top cash crop, worth about \$200 million annually. It also generates over \$1 billion in economic activity for my state. Tobacco production is responsible for more than 40,000 jobs on over 2,000 farms and continues to account for about one-fourth of all crops and around 13 percent of total crop and livestock agriculture in South Carolina.

It has been a hard couple of years for tobacco farmers in my state. Last year, a settlement between the State Attorneys General and five tobacco companies was completed. This settlement has created insecurity in these farmers' lives, as well as in their communities. Once again tobacco quota was cut this year. The cut was 17 percent, which means that these farmers have seen their quota reduced by 35 percent over the last 2 years.

In recent years, we have seen a rise in tobacco imports, as domestic purchases by companies have declined. This has had a direct effect on the economy of my state. Many of the rural towns in South Carolina have grown up around producing tobacco, and decreased demand for domestic tobacco has affected them greatly. I hope these companies see the need to purchase more domestic tobacco and decrease the amount of tobacco they import. It is imperative for these rural communities' economic stability that domestic tobacco purchases rise.

Mr. President, in conclusion I want to wish the tobacco farmers and warehousemen in South Carolina the best of luck this year. I wish that I could be

down in South Carolina for this festive occasion of opening day, but duty calls. Although I can't be there physically, they all know that I'm there in spirit. And as hard as I have worked in the past for them, they can expect me to work even harder to ensure farmers and their communities remain economically sound.

#### TRIBUTE TO DR. RUDOLPH E. WATERS

Mr. LOTT. Mr. President, I want to pay tribute to a great educator who has fought diligently on behalf of all Mississippi students.

Dr. Rudolph E. Waters has been employed at Alcorn State University, the nation's oldest historically black land-grant institution since 1957. Over the past 40 years, Dr. Waters has worked tirelessly to improve education standards.

While at Alcorn State, Dr. Waters has served as Dean of Students, Dean of Instruction, Coordinator of Title III Programs, Vice President, Interim President, and Executive Vice President. In 1964, while serving as Dean of Instruction, he was a participant in the Institute for Academic Deans at Harvard University.

Born in Brookhaven, Mississippi, Waters received his B.S.C. from DePaul University in 1954. After studying for his master's degree at Boston University and doing a stint at Southern Illinois University, he received his Doctorate of Philosophy from Kansas State University in 1977.

His professional affiliations include the American Association for Higher Education, the National Association of Collegiate Deans and Registrars, Phi Delta Kappa, Delta Mu Delta, and the National Society for the Study of Education.

Dr. Waters has worked with youth of all ages. He has been a member of the Commission on School Accreditation; the Commission of Interinstitutional Cooperation for Alcorn State University and Mississippi State University; and a member of the board of directors for several organizations including the Andrew Jackson Council of the Boy Scouts of America, the University Press of Mississippi and the National Commission for Cooperative Education.

Dr. Waters's commitment to excellence has allowed him to serve on visitation teams for the Commission on Colleges of the Southern Association of Colleges and Schools and the Council on Study and Accreditation. In his work, he has advised schools across the southeast including Morris Brown College in Atlanta, Alabama Lutheran Junior College in Selma, Morris College of Sumter, South Carolina; and Natchez College in Mississippi.

He has been awarded several special honors and commendations throughout his professional career including the Outstanding Educator Award from Rust College in 1976, the Alumni Fellow Award from Kansas State in 1988,

and the Kappan Of The Year from the Utica chapter of Phi Delta Kappa in 1993.

Dr. Waters's writings have focused on teaching and the shaping of young minds. He authored "Implications of Studies on Class and School Size for Programs in Business Education in the Public Secondary Schools" and "A Profile of Presidents of Historically Black Colleges and Universities." He also co-authored "Justice, Society, and the Individual: Improving the Human Condition" which was published in the 1978 Yearbook of the Association for Supervision and Curriculum Development.

Dr. Waters is not only a great educator, but a great rhetorician and historian. On numerous occasions, he has been called upon to represent the university at both state and national events. He has a great knowledge of history and a distinguished usage of rhetoric and philosophy.

On the campus, Dr. Waters is loved by administrators, students and faculty. His kindness and gentle manner are always appreciated, and his upbeat spirit and attitude are an attribute is caught by all who come in contact with him.

I commend Dr. Waters for all he has accomplished and all that he has yet to achieve. Dr. Waters is truly a shining star for Alcorn State University and for all Mississippians.

#### CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

#### AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2000—Resumed

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative assistant read as follows:

A bill (S. 1233) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for fiscal year ending September 30, 2000, and for other purposes.

Pending:

Lott (for Daschle) amendment No. 1499, to provide emergency and income loss assistance to agricultural producers.

Lott (for Cochran) amendment No. 1500 (to Amendment No. 1499), of a perfecting nature.

Mr. COCHRAN. Mr. President, I thank the distinguished Senator from North Dakota for his willingness to let the Senate resume the bill. I appreciate very much also his efforts to try to identify the ways we can develop a comprehensive response to the disaster situation and the economic crisis that exists in agriculture today.

Last evening, before the Senate adjourned, the distinguished Senator from Indiana, Mr. LUGAR, spoke for about 30 minutes, focusing the atten-

tion of the Senate, as we should be focused, on the difficulties of designing a plan to deal with this problem in agriculture that affects all commodities, all regions of the country, because there are disparities around the country in terms of economic losses, weather-related damages to crops, and market influences in the agricultural sector. All of that means some farmers are doing fairly well.

There was an article in my home State press yesterday, as a matter of fact, talking about the aquacultural industry in the State of Mississippi, and what a good year those who are producing farm-raised fish are having in comparison with the other agricultural producers in our State.

This is probably replicated in many other States. Some farmers are having a good year but many are not. We are trying to identify ways we can design a program of special assistance to deal with those catastrophic situations where the Government does need to respond. It is my hope we can design a disaster program that sends money directly to farmers who need financial assistance rather than create larger Government programs with money going into the bureaucracy, or expanding conservation programs, as the first-degree amendment would do, and instead opt for the alternative that is the second-degree amendment which I have offered that sends the money directly to farmers.

I was called this morning by one of the network radio news reporters and was asked whether or not the program we are recommending is more loans for farmers. Farmers, he had heard, do not want more loans. I assured him that is not what we were proposing. We are not proposing that farmers be given more loans. We are proposing that they be given more money, direct payments, using the vehicle of the existing farm legislation that gives authority to the Secretary of Agriculture to make direct payments to farmers in the form of transition payments. We are doubling the amount of the transition payments in this second-degree amendment. That makes up the bulk of the dollar cost of the second-degree amendment as estimated by the Congressional Budget Office.

So I think we are on the right track in trying to identify the best way to help farmers who are in an emergency situation, to identify those who are in an emergency and to give them money in direct payments in this special situation.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, actually, I do not know whether it is a jump ball. I will be pleased to go in order, if we could do it that way. I see the Senator from Kansas was ready to speak, and the Senator from North Dakota. Can we alternate from side to side?

I ask unanimous consent to follow the Senator from Kansas. I didn't mean to beat him to the punch. I am anxious to debate.

Mr. ROBERTS. I have no objection to that whatsoever. I have about 15 or 20 minutes of remarks.

Mr. WELLSTONE. I will listen to my colleague and then ask unanimous consent I be able to follow.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Reserving the right to object, and I will not object, but if we are going to establish an order, and if there is an appropriate back and forth, I ask that I follow Senator WELLSTONE on this side of the aisle.

Mr. COCHRAN. Rather than agree to that, and I think it is a good idea to go back and forth from one side of the aisle to the other, we do not have a time agreement, and I think it is a mistake now to try to get a time agreement. Senator GRASSLEY, I know, was on the floor making notes a while ago. He stepped off the floor just now. I wouldn't want to jeopardize his right. He has been here for some time this morning.

I hope what we can do is, if the Senator from Kansas can proceed as suggested by the Senator from Minnesota, and then the Senator from Minnesota, at that time we can take a look and see who wants to speak. But I know the Senator from North Dakota is interested in this debate and participated in the debate yesterday. We look forward to hearing his comments again today.

Several Senators addressed the chair.

Mr. DORGAN. Reserving the right to object, I think the Senator from Mississippi misunderstood. My intention was to say if there is a request after Senator WELLSTONE to speak on that side, I understand that. But if we are going to establish an order, because I am here and would like to speak, I am happy to leave and come back at an appropriate time. If we going are to establish an order now, I would like to be in that order.

Mr. COCHRAN. Mr. President, if the distinguished Senator from Kansas will yield further, I had suggested we not try to establish an order. That was my response to the question. He asked if we were going to establish an order. My answer is, as the manager of the bill, I recommend against it at this point.

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Mr. HARKIN. Reserving the right to object, what is the unanimous consent request?

The PRESIDING OFFICER. The unanimous consent request of the Senator from Minnesota is, immediately following the remarks of the Senator from Kansas, he be allowed to speak.

Mr. WELLSTONE. May I clarify this? I had the floor. I was trying to be accommodating.

Mr. COCHRAN. Yes. He was.

Mr. WELLSTONE. I simply said, if the Senator felt I jumped in, beat him

to the punch, I would be pleased to follow the Senator from Kansas. I am ready to yield, or I will keep the floor. Shall we do that?

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Mr. ROBERTS. Who has the floor?

The PRESIDING OFFICER. The Senator from Minnesota has the floor and has propounded a unanimous consent request. Is there objection?

Mr. COCHRAN. Reserving the right to object, I was thanking the Senator from Minnesota for his graciousness, for his generosity of spirit, for his courtesy to the Senator from Kansas. I appreciate that very much, as the manager of the bill. I think what he suggested was eminently fair.

The PRESIDING OFFICER (Mr. ENZI). No objection is heard. Without objection, it is so ordered.

The Senator from Kansas is recognized.

Mr. ROBERTS. I thank my colleagues.

Mr. President, I rise to discuss the need to provide emergency financial relief to our country's farmers and ranchers and to rural America in what will hopefully be short-term assistance that will allow our producers to meet their cash flow needs while Congress also pursues the long-term objectives needed to provide a profitable agriculture sector into the 21st century.

As one Kansas farmer told me recently: "Pat, in farm country today we are just not in very good shape for the shape we are in."

Farmers today, as many of my colleagues are pointing out, are struggling with depressed prices and cash flow difficulties, especially farmers who do not receive program payments under the current farm bill.

We can and should provide relief to enable our producers to get through these very difficult times, and the choice between the relief package that has been offered by Senator COCHRAN and that offered by Senator HARKIN will determine the kind and amount of assistance that will be forthcoming—or some other substitute.

In this regard, I have been urging Congress to act on a program of limited but effective assistance before this August break to send a strong signal to farmers, ranchers, and most important, the agriculture lending community. Land values have not tailed off, but the continuing stress certainly could lead to that. We need to nip that in the bud.

On the other hand, I do not believe it is in the interest of American agriculture to rewrite the current farm bill or to enact policy that will be market interfering, market disruptive, and lead us back down the road to command and control farm policy from Washington. Unfortunately, I believe both of the proposals that are before us today, or at least some aspects of those proposals, do fall into that category, especially the amendment offered by the distinguished Senator from South Dakota, Mr. DASCHLE.

I will discuss the shortcomings of these proposals later, but first let me point out, this emergency assistance debate is only part of the story. The rest of the story involves the drumbeat of rhetoric we have heard from our Democrat colleagues and friends across the aisle, and the Clinton administration, who, month after month, week after week, day after day, have blamed the 1996 farm bill, called Freedom to Farm, for the collapse of commodity prices, if not the end of production agriculture and family farms in the United States.

Reading the press releases, the resulting headlines, and listening to my colleagues, you would think the current farm bill was the result of some sinister plot concocted in the dead of night.

Apparently, they would like farmers and ranchers to believe our current farm policy is responsible for record worldwide production; increasing and record yield production and productivity; the worst international economic crisis since the early 1980s decimating our largest markets; record subsidies by the European Union, some \$60 billion; weather—too much rain, too little rain, the obvious drought in the Atlantic States, La Niña and El Niño; persistent plant diseases in the northern plains, and crop infestation in all other regions; new technology and precision agriculture; currency changes and the value of the dollar that have reduced American exports—that would be some farm bill. But those are the causes that have actually led to the low commodity prices.

In fact, the current farm bill came after 38 full committee and subcommittee hearings in the House Agriculture Committee during my tenure as Chairman, 21 of which were held in farm country—every region, every commodity—all open-microphone listening sessions. Extensive hearings were also held here in Washington on this side of the Capitol in the Senate Agriculture Committee.

Literally thousands of farmers and ranchers voiced their opinion. They overwhelmingly stated they wanted the Government to get out of their planting decisions, to quit interfering in the marketplace, so they could make their own marketing decisions based on what was best for their farms, their ranches, according to the market.

The bottom line, farmers told us there was too much in command and control that came from Washington. They were tired of standing in line outside the Farm Service Agency so that Washington could tell them what to plant in exchange for a Government subsidy.

As one 89-year-old Kansas farmer told us in Dodge City—and I quote:

I farmed for nearly 60 years and I never planted a crop that the government had not told me I could plant.

The single most important goal and rationale behind the 1996 farm bill was to restore decision making back to the

individual producer, i.e., the freedom to farm.

It is true—almost all of the speeches that have been made on the floor of the Senate, and all of the press conferences that we have heard all throughout farm country—it is true our commodity prices are depressed. Markets are depressed worldwide. Everyone involved in agriculture certainly knows and is dealing with that firsthand.

But as the saying goes in farm country: Comin' as close to the truth as a man can come without gettin' there is comin' pretty close but it still ain't the truth.

Or put another way, no matter who says what, don't believe it if it doesn't make sense. With all due respect to my colleagues who apparently believe the 1996 Farm Act is the root cause of problems in farm country, I do not believe that is simply the case.

I understand the politics of the issue. As scarce as the truth is, the supply seems greater than demand. And with Freedom to Farm, there is no demand amongst some of my Democrat friends.

But politics aside, I must admit I am both puzzled and amazed by the rhetoric we have heard over and over and over and over again. How can a farm bill that has provided on average more income assistance during difficult times over the past 3 years than occurred during the five-year average under the old farm bill be bad for farmers?

Let me point out that the market situation for all raw commodities is under stress. In addition to low crop prices, we have also been suffering through low farm prices for cattle, for hogs, for oil, for gold, for gas, and all raw commodities. None of these commodities has been covered by a farm bill—any farm bill. Is the current farm bill responsible for the market collapse in these commodities? Obviously not. But the causes that caused those low prices are the same ones that caused the problem with regard to farm country.

There was an interesting press report about a week ago. It was on the front page of a newspaper about the severity of the agriculture situation—and it is severe. The lead of the story said:

In the wake of dismal prairie farm income projections, agriculture officials emphasized the need for an improved long term safety net. If something is not done we are going to lose a lot of farmers.

But you know, that story was not about the United States; it was about Canada and their farm crisis. Canadian farmers are facing bleak prospects; and the same is true in Great Britain; and the same is true in Europe; and the same is true all over this world, in Latin America and South America, as well.

I do not think that Freedom to Farm caused their problems. This is a worldwide market decline, and as such is unprecedented.

What has caused the low commodity prices?

First, farmers worldwide have had good growing weather and produced record crops for 3 years in a row—unprecedented. That is what my good friend and colleague, the Secretary of Agriculture, Dan Glickman, said a few weeks ago when we attended a joint meeting—unprecedented record crops.

Second, we have experienced a world depression in regard to our export markets, both in Asia and Latin America and South America.

Third, the European Union is now spending a record \$60 billion—85 percent of the world's ag subsidies—on their subsidies.

Fourth, the currency exchange rates reduced the level of farm exports and farm prices. A 16-percent appreciation in the value of the U.S. dollar has been responsible for 17 to 25 percentage points of the decline in corn and wheat prices.

Fifth, a market-oriented farm program depends on an aggressive trade policy. In regard to trade, although it is very controversial, we did not do fast track. We had a very historic agreement with China, with bipartisan work on it, and then it was pulled back; and then it was followed by the bombing of the Chinese Embassy. That was not the intent, but that is what has happened. And we are about to put agriculture last—certainly not first—in the coming WTO trade talks in Seattle. We continue to employ counterproductive sanctions that punish U.S. farmers and reward our competitors with market share and have no effect on our foreign policy.

The administration has moved in this regard. We have bipartisan support for sanctions reform, but we still cannot use the USDA export programs in regard to making those sales.

Again, the cause for these low prices is not the 1996 farm bill. Quite the contrary, under Freedom to Farm—and I want everybody to listen to this—farmers in each State represented by most of the critics of the 1996 act have and are receiving more income assistance on average than they did under the old bill.

Under Freedom to Farm, farmers themselves—not Washington—have set aside their crop production and switched to other higher value crops. Nevertheless, we hear the mantra that we do not have a safety net.

Let me point out, for the past 3 years of the current farm bill we have provided transition payments—somehow or other in this debate the reality of transition payments over the 6-year life of the farm bill has been ignored. It is almost like they do not exist in the minds of the critics, but we have provided them. They are direct income support, and that amounts to approximately \$23 billion to our farmers and ranchers for the past 3 years of the bill.

On the downside, we have also provided nearly \$3 billion in what is called loan deficiency payments. That means the price goes below the loan rate. The loan rate was pretty low. We would

never have imagined we would have to use the LDP program, but we had to—\$3 billion. Recent estimates by the USDA are projecting possible LDPs totaling \$8 billion this year.

These numbers total to nearly \$34.5 billion by the end of 1999, and they do not include the \$6 billion in lost market payments and disaster relief that were paid to farmers in 1998.

If you add in the \$6 billion emergency package of last year, and the proposed assistance now being debated, the total is unprecedented—unprecedented—but even before these disaster payments you still had more income under the current farm bill than farmers would have received under the old one, under the 5-year average. So from that standpoint, I do think we have a safety net.

In the past 3 years in Minnesota, for the benefit of my dear friend and colleague, Senator WELLSTONE, the safety net for farmers under Freedom to Farm averaged \$136 million more in total payments compared to the state average under the old bill.

In South Dakota, the safety net for farmers under Freedom to Farm averaged for the past 3 years was \$58 million more than the state average under the old bill.

In North Dakota—Senator DORGAN and Senator CONRAD are two Members who fight for their farmers and believe very passionately that we must address this problem—\$15 million more; in Nebraska, \$109 million more; and in Iowa, the safety net for farmers under Freedom to Farm in the last 3 years provided \$162 million more than the previous bill.

Is it enough in regard to the problems we face that are unprecedented? Is it enough for the northern prairie States with border problems and wheat scab and weather you can't believe? I do not know. That is for those Senators and those farmers to determine. But there has been a significant increase in that direct income assistance to those producers.

Finally, for those who like roosters at the dawn and coyotes at dusk, crow and howl that we have ripped the rug out from underneath our farmers and the safety net, let me point out that during the first 3 years of Freedom to Farm, the average amount of income assistance to hard-pressed farmers was higher in every one of the 50 States than the 5-year average for each State during the previous farm bill. Again, these higher 3-year averages do not include emergency assistance that producers received through the structure of the Freedom to Farm Act that farmers received last year and they will receive this year when we finally get to the determination of whatever emergency package we should pass.

In making these statements, let me urge my colleagues to do their homework. Take time to read an assessment of the 1996 Farm Act by the Coalition for Competitive Food in the Agriculture System, published this June. In brief, the summary concluded the act

did not cause the low commodity prices—I mentioned the two causes—supported the underlying health of the farm economy, and has provided a strong safety net—yes, buttressed by the emergency legislation—and, one of the biggest conclusions, forces U.S. competitors to adjust to the world market.

There is a summary of this report, and I ask unanimous consent to have the summary printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

#### AN ASSESSMENT OF THE FAIR ACT

Food and agriculture remains the US economy's largest single economic sector, accounting for \$1 trillion in national income, and employing 18 percent of the nation's entire work force. Almost one-fourth of US economy.

In 1996, the US Congress passed historic farm legislation, allowing the US agricultural economy to respond to the global market. The FAIR Act provided farmers with a strong safety net, coupled with the freedom to plant for the market. It ended the counterproductive practices of taking good US cropland out of production and of setting a global price floor for all the world's farmers, which served only to intensify foreign competition against U.S. growers.

#### Fundamentals of the FAIR Act

- Eliminated planting requirements.
- Eliminated supply controls and acreage idling programs.
- Freed farmers to plant for the market.
- Eliminated variable deficiency payments.
- Provided guaranteed transition payments.
- Retained competitive price support levels.
- Retained marketing loans to prevent government stockpiling.

#### THE FAIR ACT DID NOT CAUSE LOW COMMODITY PRICES

The passage of the FAIR Act coincided with sea changes in the global economy, which have dramatically affected the US agricultural economy. Years of worldwide economic growth, particularly in middle income developing countries, led to rising demand for meat and animal feed. Increased market access achieved by the Uruguay Round Agreement, as well as regional agreements such as NAFTA, allowed US farmers to take advantage of that growth overseas. New technologies (biotechnology, precision farming, no till agriculture) were increasing crop yields at the same time as record high prices led farmers in the United States and overseas to expand acreage.

Two years after the enactment of the FAIR Act, the global economy suffered the worst international crisis since the early 1980s. The fast growing Asian economies, which together are the largest single market for US exports had been the fastest growing importer of US food and agricultural products, suffered dramatic reversals, as did Russia.

Asian demand was down 17 percent in 1998, and will be down another 23 percent this year. Ironically, sales to Mexico were up 17 percent, and NAFTA is the fastest growing market for U.S. farmers.

The sharp drop in demand for food and agricultural products coincided with record harvests in the United States, Brazil, Argentina and other food producing nations. Between 1993 and 1998, world wheat production has shifted from 65.4 MMT below trend to 31.7 MMT above trend—an increase in supply of nearly 100 MMT. World corn production has shifted from 52 MMT below trend in the early 1990s to 36 MMT above trend in the late

1990s—an increase of 88 MMT. Soybean production has seen similar trends, with production 7 MMT below trend in the early 1990s and 11 MMT in the latter half of the 1990s. As a result of these huge shifts in supply, world prices have dropped far from their uncharacteristic highs in the mid-1990s, to slightly below average levels, when compared to the first half of the decade.

**THE FAIR ACT HAS SUPPORTED THE UNDERLYING HEALTH OF THE FARM ECONOMY**

During the tenure of the FAIR Act, the underlying financial health of the sector has improved, when compared to the first half of the 1990s. Total farm assets were 18 percent higher than the 1990-94 average in 1996 and are estimated to be 30 percent higher in 1999. Similarly, land values in 1998 were 16 percent higher than their average value in 1990-94, and are projected to be 38 percent higher in 1999. Moreover, liquidity ratios are up, debt servicing ratios are down, and return on equity has increased from 0.5 percent in 1995 to 2.3 percent in 1998.

While there have certainly been regions and commodities that have suffered from sharp prices declines and from various weather and crop related disasters, overall, average farm income during the FAIR Act has been higher than farm income under previous legislation. Even with the declines in 1998 and 1999, farm income during the FAIR Act is higher on average than during the previous farm legislation.

In perhaps the most important measure of the financial outlook for the sector, farmland prices continue to rise throughout the country. Since 1995, the price of farmland in the Corn Belt has risen from \$1600 per acre to over \$1800 per acre; land in the Great Lakes has risen from just over \$1000 per acre to almost \$1300 per acre. Even in the Northern Plains, which has suffered the most in terms of prices and disasters, farmland prices are up from just under \$1000 per acre to almost \$1100 per acre.

**THE FAIR ACT PROVIDES A STRONG SAFETY NET**

Under the terms of the FAIR Act, \$35.6 billion will be provided to farmers through direct income payments over seven years, for an average of \$5 billion annually. In addition, expenditures under the commodity loan program, which makes up the difference between the loan rate and a lower market price, have added an additional \$1 billion annually, an amount that could reach \$3.5 billion in 1999 alone. In addition, the disaster relief and market loss payments during 1998 added an additional \$6 billion in government payments to farmers. In all, payments under the FAIR Act have totaled \$5.7 billion per year. By comparison, payments under the old farm program averaged \$5.5 billion per year. Because they are based on previous production levels and historical program yields, the bulk of those payments go to large, commercial farmers who account for the bulk of U.S. production.

**THE FAIR ACT FORCES U.S. COMPETITORS TO ADJUST TO THE WORLD MARKET**

In the past, when the United States took land out of production in response to low prices, our competitors in Brazil, Argentina and other countries simply expanded their acreage to take up the slack. When the United States raised its support prices in the early 1980s, farmers in other countries took advantage of the price floor set by the United States, to expand their production. In effect, the United States functioned as the Saudi Arabia of the World grain market. Those policies provided a safety net not just to US farmers, but to the world's farmers.

Under the FAIR Act, U.S. farmers face no government-mandated set-asides. As a result, they have brought nearly 10 million

acres back into production. With the safety net of the marketing loan in place, U.S. farmers are guaranteed to receive the loan rate, even if world prices fall to lower levels. This means that farmers in other countries will be forced to respond to world markets prices, while U.S. farmers benefit from the higher U.S. loan rate. Should world prices rise above U.S. loan rates, U.S. farmers will be able to receive the full benefit of those higher prices.

Mr. ROBERTS. Mr. President, most of the critics of the current act have recommended that we rewrite the farm bill, and I think most, at least—and I don't want to be too specific here because I am not sure—have indicated they would like a return to set-aside programs and higher loan rates and farmer-owned reserves, basically a return to the old farm bill. They say we need to do it so we can control production and increase the price of our commodities. Lord knows, I would like to try anything, almost, to increase the price of our commodities.

My question is this: How do we convince our competitors to follow suit? Past history shows us that when we reduce our acreages, our competitors do not follow suit. World stocks are not reduced. They increase their production by more than we reduce ours. There is no clearer example than during the 5-year period from 1982 to 1988 when the United States harvested 12 million fewer acres of soybeans and, during the same period, Argentina and Brazil increased their production by 14 million acres. Guess which countries are now the largest competitors of the United States in the soybean market.

Critics will also claim that plantings and stocks have increased and prices have plummeted because our farmers were allowed to plant fence row to fence row. That is not true either. The United States was not the cause of increased world production. In 1996, farmers in the United States planted about 75 million acres of wheat. Under Freedom to Farm, that fell to 70 million in 1997, 65 million acres in 1998. That is almost a 14-percent drop in wheat acreage. The farmer made that decision, not somebody in Washington, a voluntary set-aside. It was a paid diversion because he got the AMTA payment. USDA projections are an additional decrease this year of another 9 percent. That is a voluntary farmer set-aside, not a government mandated set-aside.

If U.S. wheat farmers planted less wheat, where did the record crops come from? We have been blessed with near perfect growing conditions in most of wheat country. The average farmer's yield went from 36 bushels an acre to 43 last year, 47 this year. Once again, the American farmer's record of productivity is simply amazing. I don't know of any farm bill that has ever been able to control production in other countries, or the weather, or growing conditions. I don't think even our friends across the aisle who are most critical would propose trying to limit the farmer's yield.

Still despite these facts, the naysayers say we must control production and raise loan rates. Raising loan rates will only increase or prolong the excess levels of crops in storage and on the market and actually result in lower prices down the road. Excess stocks will depress prices. Do we then extend the loan rate or raise it, leading to an endless cycle, leading to a return to planting requirements and Washington telling farmers to set aside ground to control production and limit the budgetary costs?

How do higher loan rates help producers who have suffered crop failures and have no crop underneath the loan? We had low prices in the mid-1980s. As a matter of fact, in 1985, and, it seems to me, in 1986, we spent almost \$25.9 billion. We tried PIK and Roll; we tried certificates; we tried set-asides. We tried everything under the sun. We passed the 1985 act dealing with unprecedented world conditions. So we tried that. We had the higher loan rates.

It is one thing to propose a new farm program, albeit we haven't seen anything too specific. But how do you pay for the budget cost, notwithstanding the emergency declaration of this legislation, which I think is appropriate? There was no request from the President, after 3 years of complaining, no request from Secretary Glickman for additional funding. It seems to me it is one thing to propose changes in the farm bill in the form of increased loan rates, however you want to change it—or, as the President says, we just need a better farm bill—and another to propose how we pay for it.

The reason I am bringing this up is, I think we need a little truth in budgeting, aside from the proposed emergency legislation that we need. Do the advocates of change pay for the new program, set-asides, and increased loan rates or whatever it is in regards to the new farm program by taking away the transition payments now provided to farmers under Freedom to Farm? Will farmers willingly give up the transition payments, direct income assistance, and go back to the days of standing in line at the Farm Service Agency, filling out the forms and the paperwork, and set aside 20 percent or more of their acreage?

What do we tell farmers who have on their own made historic planting changes from primary crops in the past to crops of higher value—oil seeds, sorghum, dry peas, navy beans, soybeans, and, yes, cotton? Under Freedom to Farm, I tell my distinguished friend and colleague from Mississippi, in the heart of cotton country, we have 40,000 acres in Kansas that are now in cotton production. When Steve Foster wrote the song "Those Old Cotton Fields Back Home," he was talking about Kansas. We have the most cost-efficient cotton in the world because the temperatures are so low, you don't have to use pesticides on the insects. None of that would have happened



without the flexibility in regards to the new farm bill.

The reduction in wheat acreage going to other crops has been dramatic in 1997 to 1998: 15 percent down in North Dakota, 15.5 percent in South Dakota; 18 percent in Kansas; 18 percent in Minnesota; 15 percent in Texas. These are farmer-made decisions, and the changes in American agriculture have exceeded all expectations. Farmers have switched because it made economic sense.

The plain and simple and sometimes painful truth is that all U.S. producers are no longer the most efficient producers of certain crops, now wheat, in the world. That is true of other crops. But if you give the farmer the proper research and the proper export tools and the proper precision agriculture tools and the proverbial so-called level and fair trading field—which does not exist right now—he can be.

But we must also have the flexibility and the freedom to respond to market signals. So instead of looking back to the failed policies of the past, I think we must look to a long-term agenda for the future that allows our farmers and ranchers to be successful. That agenda includes most of what was promised during the passage of the Freedom to Farm Act—promises, promises, promises. I held up this ledger. I had two of them. On one side it said, if we go to a market-oriented farm program, these are the things we will have to do to complement it in order that it may work. And we listed them. That was the other side of the ledger.

Unfortunately, I am sad to say that those promises have not been kept by either side of the aisle. If I get a little thin skinned in regards to all the criticism in regards to the act that we put together, I am more than a little unhappy in regards to the Republican and Democrat leadership and the lack of progress on things we promised that would complement Freedom to Farm, things that attract bipartisan support from all of us who are privileged to represent agriculture.

I am talking about an aggressive and consistent trade policy, fast track legislation, sanctions reform with authority to use USDA export programs, a strategy for WTO negotiations that puts agriculture first, a renewed effort to complete the trade breakthrough we had with China. I am talking about tax legislation. Some of it is in the tax bill. Unfortunately, we have a political fussing and feuding exercise, and some of these will not actually take place—100-percent self-employed health insurance deductibility, farm savings accounts. If we had farm savings accounts, this situation would be tough but it wouldn't be grim.

Capital gains and estate tax reform. I am talking about crop insurance reform. Senator KERREY and I have what I think is a very good crop insurance bill. I am talking about regulatory reform and about commonsense management of the Food Quality Protection

Act. And, yes, I am talking about reasonable emergency assistance to provide income assistance due to the unprecedented record crops, EU subsidies, world depression of the export markets. And that brings us to the two proposals we have before us today.

Let me point out that, given the dynamic change in agriculture and world markets, no farm bill has ever been perfect or set in stone. That has been the case with the seven farm bills I have been directly involved with since I have had the privilege—seven of them. That statement is buttressed by the fact that, in the last 10 years, there have been no less than 13 emergency supplementals or disaster bills. Given the current drought in the Atlantic States and our price and cash flow problems due to the unprecedented developments I have already discussed, there are going to be 14. It is just what form it will take. But it seems to me we should not be in the business of spending more than is necessary, or making changes in farm program policy that will be market disruptive, or that will lead us back down the road to command and control agriculture in Washington. That, of course, depends on your definition.

There are several questions, or concerns, I have in regard to the emergency assistance package introduced by my friend, Senator HARKIN, and my friend from Mississippi, the distinguished chairman of the Appropriations Subcommittee. The income loss assistance that has been proposed by Senator HARKIN, as I understand it, has a fixed amount of \$6.4 billion made available. But it sets up a parallel supplemental loan deficiency payment system with a separate \$40,000 payment. It provides that payments be made to producers with failed acreage, or acreage prevented from plantings, based on actual production history, and provides for advance payments to producers as soon as possible. And we want that.

I think we are headed toward a train wreck in regard to the payment limitation. One of the major concerns among farmers is the \$75,000 payment limitation on an existing \$7 billion to \$8 billion worth of loan deficiency payments. Now we are trying to cram an additional \$6.4 billion through a payment limitation half that size, and it seems to me we are going to have some real problems. Per unit payments will go up, and a smaller and smaller percentage of production will be covered.

Now, if this new payment form is supposed to go to those who produce, it is ironic that we are going to see 85 percent of the producers who produce the field crops shortchanged to bulk up payments to those that really create 15 percent of the crops. This isn't the big producer/small producer argument. I think the penalty will reach down to the medium-size commercial farmer, while the part-timer with a job in town may reap a windfall.

Discretion to the Secretary. Last year's disaster program was predicated

on giving the Secretary maximum discretion to use his expertise to create a fair and speedy program. The delivery of disaster payments was delayed for 8 months. This program relies even more heavily on the Secretary. I hope that Secretary Glickman has magic in the way he can get the payments out.

The Secretary must take a fixed amount of money and fairly divide it among producers; guess in August the total production of a variety of crops for the year; determine which producers will have failed acres and determine their actual production history; calculate how a \$40,000 payment limit will affect the division of the funds; create a per bushel, pound, or hundred-weight payment for crops not yet harvested; determine how to make advanced payments; and he must prorate payments when and if all the guesses happen to turn out to be wrong.

Last year, with a far simpler task, the Secretary gave up and waited until June to make the payments. Let me point out that transition payments under the AMTA supplemental plan went out in 10 days. They were delivered to producers in 10 days. Direct income assistance: A farmer could take the check and show it to his banker and say: I can make it through the next year.

WTO limits. Almost unnoticed in the farm crisis is the rapid increase in payments made to producers. The United States is rapidly approaching the limit allowed in the treaty for payments defined in something called the amber box as trade distorting. All payments associated with commodity loans, including LDPs, are counted in the amber box. They are not counted in the AMTA box if you provide farmers direct assistance due to unprecedented things. That will nearly double LDPs in 2000 and may very well put us over the limit, making it very difficult for the President to sign a bill that would violate the Uruguay Round agreement.

My question is: What is the White House position on the Harkin amendment as it applies to payments to farmers through the loan deficiency payment program, as opposed to the AMTA payments? I have other questions, too.

I have indicated to my colleague from Minnesota that I would not take too long, and I have already done that. I apologize to him. Again, we know the money can be distributed through the AMTA system in as little as 10 days.

Mr. WELLSTONE. Will the Senator yield for a second?

Mr. ROBERTS. I only have about 2 minutes left.

Mr. WELLSTONE. This is the Senator's life. I don't agree with him, but he must lay out his case.

Mr. ROBERTS. I thank the Senator.

Mr. President, the most important thing is to get this emergency assistance out to farmers as fast as we can and keep it within a realm that is at least reasonable in regard to the budget and in a way the farmer can get the

assistance. We can do that in 10 days by the system that is proposed by the Senator from Mississippi.

I have already mentioned the payment limitation concern. I must say, if you look at the Harkin amendment, it not only deals with emergency assistance—and Senator HARKIN truly believes we ought to rewrite the farm bill, and he is doing that in regard to his amendment.

We have peanuts, dairy payments, and livestock payments; and I am assuming most of it would go to the hog producers, but we means test that again. We have set-aside authority and we have disaster funding, where we set aside another \$600 million. We backfill the 1998 disaster assistance. Then we have money to establish a permanent program for land that has been flooded for continuous years. With all due respect to my colleagues from the Northern Plains, we have a name for a land in Kansas that has been covered with water for 3 years; it is called a lake.

We have millions for tobacco producers. My golly, are we going back to 1982 when we all decided in the House of Representatives—and we were all there at that time—we were going to get the Government out of subsidizing tobacco farmers? Are we back to that? Be careful what you ask for. So we have included tobacco in this bill. I am not making any aspersions on the hard-hit tobacco producers, but, folks, that is not PC. I am not sure about that one. And then we have mandatory price reporting, something I have supported in the Agriculture Committee, with some changes made by Senator KERREY. But we are approving funding for legislation and we haven't even marked it up yet.

Then we have mandatory country-of-origin labeling for meat and vegetables. Right now, we have a tremendous problem with the European Union and all countries in Europe on GMOs, genetically modified organisms. People in white coats are descending upon the fields over in Great Britain, ripping up the GMO crops. The problem is, they made a mistake and ripped up the wrong crop. We ought to go to sound science and work out these problems, and we are trying to do that.

In regard to the trade problems we have—which Secretary Glickman talks about and most aggies are worried about—we are going to put this in country-of-origin labeling on top of that issue. I don't think it has really been proven that our producers will increase prices and that it will result in trade retaliations.

We have \$200 million for a short-term set-aside. I don't want to go back to set-asides; I think that would be counterproductive. Some of these provisions I have mentioned are also in the provision introduced by my dear friend and colleague, the Senator from Mississippi.

I think, again, we ought to be providing emergency assistance to farmers and not be writing the farm bill but

proceeding to work together in a bipartisan way, if we possibly can, to address the real reasons as to why we have these low commodity prices.

When this comes up this afternoon, I urge Members to pay attention. A lot of this gets very convoluted and very technical, I know, in regard to farm program policy. But it would be my desire that Members look very closely at this in regard to the budget implications and things that can go bump in the night—the law of unattended effects—down the road that I don't think we want to experience in farm country.

I yield the floor.

The PRESIDING OFFICER. Under the previous agreement, the Senator from Minnesota is recognized.

Mr. WELLSTONE. Thank you, Mr. President.

Mr. President, first of all, I want to say to my colleague from Kansas that he ended up talking about the emergency bill that is before us. But a good part of his remarks were devoted to the farm bill, what I call the “freedom to fail” bill. I want to say to my colleague from Kansas that he kept talking about the failed policy of the past. I think he ought to focus on the failed policy of the present. The failed policy of the present is the “freedom to fail” bill.

My colleagues also talked about the painful truth. The painful truth in the State of Minnesota is that we are going to lose yet thousands more of farmers on the present course. We have to change the course. That is the painful truth.

I remember that maybe a year and a half ago when I went to a gathering in Crookston, MN in northwest Minnesota, there was a sign outside that said, “Farm Crisis Meeting.” I thought: My God, are we going back to the mid-1980s? But it is not only northwest Minnesota.

I was in Roseau County two weeks ago. It is pretty incredible. It is the low prices. It is also the weather. The county typically plants about 500,000 acres of wheat. This year only 10 percent—50,000 acres—was planted. It appears that a mere 10 percent of the 50,000 acres will produce a crop.

It is northwest Minnesota with the low price. It is the weather. It is the scab disease, and now the price crisis affects all of Greater Minnesota.

When my colleague talks about \$136 million spent in Minnesota with the AMTA payments, it reminds me of what farmers always say, not about the smaller banks but about the big branch banks: They are always there with the umbrella when there is sunshine outside, but whenever it is raining they take the umbrella away.

Of course, the payments were up when we were doing well. But the whole point of what we had in our farm bill before “freedom to fail” was we had some countercyclical measures to make sure there was some price stability. That is the point.

The point is that when part of our export market collapses, and when family

farmers can't make a go of it, or when you continue to have to deal with conglomerates that control almost all phases of the food industry—when I hear my good friend from Kansas talking about laws of supply and demand, I smile. Family farmers in Minnesota want to know: Where is Adam Smith's invisible hand? Family farmers in the Midwest want to know, where is the competition? Because when they look to whom they buy from, and when they look to whom they sell, they are faced with a few large conglomerates that dominate the market.

I say to my good friend from Iowa that in Fayette County—I guess there is a town of Fayette also in northeast Iowa—on Sunday I went to a pig roast. This farmer said: I am out of business. This is the last pig. This is it for me.

Our pork producers are facing extinction, and the packers are in hog heaven.

We have a frightening concentration of power.

All of my colleagues who are strong free enterprise men and women, all my colleagues who talk about the importance of the market and competition, ought to look at what my friend from Kansas talks about as a painful truth, which is we don't have Adam Smith's invisible hand and law of supply and demand. Everywhere we look in this industry, you have conglomerates that have muscled their way to the dinner table, exercising their raw political and economic power over our producers, over consumers, and I also argue over taxpayers.

In all due respect, when my friend from Kansas says we ought to look at the failed policies of the past, I want to say that we ought to look at the failed policy of the present.

My colleagues on the other side of the aisle can talk about anything they want to talk about. All of it is relatively important. Crop insurance is important. We can do better. We can do better in a lot of different areas. But let's not talk about failed policies of the past. Let's talk about the failed policy of the present because that is what farmers are dealing with. Family farmers are going under, and time is not neutral.

I want to shout it from the mountain top of the Senate in response to the remarks of my good friend and colleague from Kansas. The most important thing that we can do is rewrite this farm bill. The most important thing we can do is make the kind of structural changes we need to make so that family farmers can get a fair shake because right now what we did in that “freedom to fail” bill is take away any opportunity for farmers to have any kind of leverage and bargaining in the marketplace with these large grain companies. And, in addition, we took away any kind of safety net.

So when part of the export market isn't there, although we are doing fine and the exporters are doing well, our family farmers aren't.

The point is that for those farmers who do not have huge reserves for capital and aren't the conglomerates, they go under.

Senators and United States of America, this debate about this emergency package—and more importantly the debate that is going to take place this fall about how we write a farm bill—is a debate that is as important as we can have for anyone who values the family farm structure of agriculture because we will lose it all if we don't change this course of policy.

Mr. HARKIN. Mr. President, will the Senator yield on that point?

Mr. WELLSTONE. I am pleased to yield.

Mr. HARKIN. Just for a question.

I think the Senator from Minnesota put his finger on it. When I heard the Senator from Kansas speak, it seemed as if what he was saying was that we are going to leave farmers and ranchers out there at the mercy of the grain companies, the packers, the wholesalers, the retailers, and the processors. They are making money in the domestic market, but the farmers are not.

I ask the Senator from Minnesota: Does the Senator believe that it is a viable responsibility for our government to ensure that family farmers have some bargaining power, some power out there in the marketplace so they can get a better share of the consumer dollar that is being spent in America today?

I add to that, I say to the Senator, that under previous farm programs—and under what we have been advocating in terms of raising loan rates and providing for storage and things such as that—they provided that farmers have a little bit better bargaining power in terms of selling their crops, and thus hopefully getting a better portion of their income from the market.

I thought it was a curious argument for a conservative from Kansas to be making that the measure of the success of the Freedom to Farm bill is how the Government checks go out to farmers. I find that a curious argument.

My question to the Senator is whether or not it is a legitimate role for the Federal Government to play to help level the playing field between farmers and those who buy their products from the farm.

Mr. WELLSTONE. Mr. President, let me respond to my friend from Iowa. First, I agree it is ironic to hear some of our colleagues try to boast about direct payments to farmers when they talk about the "freedom to fail" bill. By definition, if we are spending \$17 billion a year for payments to farmers, the market is not doing a very good job.

Second, let me say to my colleague from Iowa, when I hear my good friend from Kansas talk about the law of supply and demand, I smile because the family farmers throughout the country want to know where is Adam Smith's

invisible hand? Where is the competition? It misses the very essence of our debate. Conglomerates basically control almost all phases of the food industry, whether it is from whom the farmers buy or to whom they sell.

There are two questions: No. 1, how can we give family farmers some kind of leverage in the marketplace? We tried to do that in some of our past farm bills through the loan rate, and also a safety net, to try and deal with farmers when prices plummeted. Second is the compelling case for antitrust action.

Let me say we are going to pass a bill that will provide some assistance to farmers, but there are two questions: What kind of assistance? I will analyze that in a moment. The challenge before the Senate is the kind of assistance. I think there are pretty huge differences.

In our bill, the Democrats bill, we have about \$2 billion in assistance for disaster relief. In case anybody hasn't noticed, we have drought in the country. We have people who are devastated, people who cannot grow anything. We have some disaster relief, \$2 billion. I don't think our colleagues on the other side have anything in that bill, in which case I say to colleagues when they vote on these amendments, it would seem to me Members would be hard pressed to vote against an amendment purporting to provide emergency disaster relief that doesn't take into account the weather. Not only are my colleagues not taking into account the failed policy of the present, they are not taking into account the drought.

My second point: I far prefer, to the extent we can, to make sure the assistance gets to those farmers who need it the most. The AMTA payments tend to go to the larger producers and tend to go to land owners, even if they are not producers. It is quite different than LDP. I would like the LDP targeted, as targeted as possible.

There are some differences between these two proposals. The Republican plan is similar to their tax cut plan. They parcel out benefits in inverse relationship to need. What farmers are saying to me in Minnesota or when I was in Iowa this past weekend: Look, we want to get the price. We want to deal with the price crisis. We want to have a future.

If you are going to provide some assistance, I didn't hear farmers talking about AMTA payments because they know the great share of the benefits will go to those who need it the least.

We have some major differences. We take into account the drought—small thing, the drought. We make sure there is some direct assistance to people who are confronted with the drought. Our colleagues on the other side don't have such assistance.

In addition, we try to target to production as opposed to AMTA payments, which is all a part of the "freedom to fail" bill. It was transition for people to go out. AMTA payments were great, as my colleague from Kansas points

out, when prices were up. Everybody loved it. The problem is the "freedom to fail" bill, which was passed, did not take into account what would happen to family farmers when the markets collapsed, the prices were low, and there was no safety net, no bargaining power and no way that family farmers would be able to cash flow and make a living. There is no future for family farmers in the State of Minnesota with this failed farm policy.

I say to my colleagues, we have some votes this afternoon on the whole question of some emergency assistance. That is step one.

I believe for reasons I have explained that our proposal makes much more sense in terms of getting some help to people. If we are going to call it emergency assistance—and that is what it is—then we better get some assistance to people who are devastated because of the drought. We better have disaster relief in a bill which purports to be an emergency assistance package.

Second, we ought to try and make sure the benefits go to the people who need it the most.

Finally, I say to my friends on the other side, I don't believe anybody should have to stand up and say the Freedom to Farm bill was a "freedom to fail." I don't care whether people have to admit to a past mistake. I don't want anybody to believe they have to admit to a past mistake. But we better change the policy. However we do it, whatever Senators want to say, my focus is on the failed policy—not of the past but of the failed policy of the present. My focus is on this "freedom to fail" bill.

We have to take the cap off the loan rate, raise the loan rate. We have to get a decent price. We have to target it and have a much tougher and fair trade policy. We have to make sure we have some conservation practices. We have to make sure we don't have people planting fence row to fence row. We have to make sure we take antitrust action seriously. Teddy Roosevelt was for antitrust action a long time ago.

It seems to me that the United States Senate can go on record to support antitrust action. It seems to me we can be on the side of family farmers.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Texas.

Mr. GRAMM. I am happy to yield. I thought we were going back and forth but if the Senator would like to speak.

Mr. BYRD. The Senator is very gracious to offer that. I do not ask that. However, I wanted to have an understanding as to how we are proceeding. I believe I probably was on the floor ahead of most others other than the Senator. If the Senators are alternating, does the Senator from North Dakota wish to go next?

All I want is a chance to speak at some point.

Mr. DORGAN. Let me ask the Senator to yield for a question.

Mr. GRAMM. I am happy to yield to the Senator.

Mr. DORGAN. I say to the Senator from West Virginia, I sought an answer to that question some while ago. I have been on the floor an hour. I stepped off the floor for a moment.

I believe the Senator from Mississippi indicated the Senator from Iowa, Mr. GRASSLEY, perhaps wanted to speak next. In any event, I think perhaps it would be helpful if we established some order, and I am willing to accept whatever order the managers wish to establish. If I am not able to speak now or soon, I will ask consent to be recognized at 2:15 to speak.

Mr. BYRD. Will the Senator yield?

Mr. GRAMM. I am happy to yield to the Senator.

Mr. BYRD. Mr. President, I propose the following unanimous consent request, if it is agreeable to the Senator from Texas, the Senator who is managing the bill, and Senator HARKIN. I ask unanimous consent that after Mr. GRAMM has completed his remarks, Mr. DORGAN be recognized, then Senator GRASSLEY, and then I be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank all Senators. I thank the Senator from Texas.

Mr. GRAMM. Mr. President, I did not come over this morning to get into a political debate about farm policy. But the issue is so important that I thought there were some things that need to be said that I do not believe have been said. I would like to preface my remarks by saying that, to the best of my knowledge, my State is the biggest beneficiary of American farm programs, not on any kind of per capita basis but because we have a lot of farmers and ranchers.

I am very concerned about the drought in some parts of the country, which we have a long tradition of responding to and dealing with. That tradition has been based on documenting the drought, documenting the loss, and then compensating people who lose. It has not been based on anticipating a loss, estimating it, appropriating money on a widely discretionary basis and allowing bureaucrats to give out literally billions of dollars. That has never been the policy in the past. I do not think we ought to undertake it today. So before I get into the text of what I wanted to talk about, let me make it clear there are many areas of the country that are suffering from drought. We have a long tradition, an established program. I have been supportive of that program and I intend to continue to be.

What I want to talk about is not the drought. What I want to talk about is what is happening in agriculture and my concern that we are partially misreading what is happening. I want to talk about farm prices, and I want to talk about the two remedies that have been proposed and that are currently before the Senate, and I want to voice my concern about both of them.

I do not want to get into a political debate about farm policy, but I want to make the point that I believe we are drifting far afield from any kind of rational farm policy in America in what we are doing. Maybe some would view it as an unkind judgment, but in my opinion we are engaged now in a political bidding contest where we simply are seeing figures made up on both sides of the aisle, I would say, where we are competing to show our compassion and competing to show our compassion with somebody else's money. I would be moved into thinking this was pure compassion if we were debating giving our own money. But since we are debating giving the taxpayers' money, it is hard to be compassionate with somebody else's money.

Having said that, I see this farm problem a little bit differently than most of my colleagues. Since I do not think this point has been made in the debate, I want to make it.

First of all, it is clear, and I think everybody is in agreement on this, that American agriculture has been affected by the Asian financial crisis and that the demand for American farm products from Asia has fallen off by 40 percent. The demand for farm products is what economists call "inelastic." That is, when the price changes, it doesn't have an immediate, instantaneous or substantial impact on production. So this decline in the demand for products in Asia has had a substantial impact on price.

Obviously, we are all hopeful that Asia is going to recover from its financial crisis and that they are going to be back in the market and that this part of the factors that are driving down farm prices will go away over time. That is the basic logic of the proposal that has been offered by Senator COCHRAN. It basically is that as the Asian financial crisis is solved, as Asians get used to, once again, consuming American farm products—the best rice, the best meat, the best cotton; as they get used to the joys of wearing cotton underwear made of American cotton—they are going to buy a lot more of it and everything is going to come back and prices are going to be good again. To the extent that thesis is correct, the right thing to do is to adopt the Cochran substitute.

The Democrat substitute is really based on the logic that there are no markets. Our Democrat colleagues do not largely believe in markets and do not, by and large, believe in the basic principles of economics. They would rather the Government make the price of farm products. So it is not surprising that their substitute has grown from \$9.9 billion to \$10.7 billion, 50 percent bigger than Senator COCHRAN, but they would basically begin to take steps to go back to the old supply management program where the Government would be the setter of prices and where we would, in essence, take American agriculture ultimately under this program out of the world market.

The problem with that, besides having a substantial impact on the state of the American economy, is that primarily, while there are many farm State Senators, there are relatively few farm district Members of the House. If we go back to supply management, given the apportionment of representation in the House, we will never set prices that will be high enough to produce prosperity in rural America.

So I know all of the rhetoric, going back to the 1920s, much of which has very leftist roots, would lead many of our Democrat colleagues to believe if we could get Government to manage agriculture, we could make it great. The problem is—and I say this as a person representing an agricultural State, a State that produces most farm products, the only State in the Union that produces both cane and beet sugar, a State that is in virtually every kind of agriculture that you can name—the plain truth is that agriculture does not have enough political clout, day in and day out, to get the Government to set prices high enough that we will ever have true prosperity in rural America. That is why I am never supporting going back to the Government managing agriculture.

The only chance we have to make rural America not just a good place to live—because it is the best place to live. When I ultimately leave Washington—and I hope to be here as long as STROM THURMOND, which would give me another 40 years—I do not ever plan to live in a town that has a stoplight again. I prefer rural America. I think it is the best place to live. I want to make it one of the best places to make a living, which is why I was for Freedom to Farm and why the underlying philosophy of the Cochran program is superior.

It does not appeal to people who want Government to manage things, who believe that Government can do it better. But the plain truth is, without being unkind, there is only one place in the world where socialism still has dedicated adherents, and that is on the floor of the Senate and the floor of the House of Representatives. Everywhere else in the world it has been rejected. But here it still has dedicated adherents, people who believe if we just let Government run things—health care, agriculture, whatever—that it would go better. I do not believe that is true.

But I want to go beyond simply pointing out the superiority of the Cochran approach to the Democrat substitute. I want to raise a question about both because there is another force at work that nobody is talking about, and with which we are going to have to come to grips. Frankly, in representing a farm State, it is something about which I worry.

It is a blessing that creates a problem. The blessing is that while America is in the midst of a technological explosion, technology in agriculture is growing twice as fast as technology in the economy as a whole. Productivity

per farm worker is growing twice as fast as the productivity of the worker in the economy as a whole. So there is an underlying factor which is driving down farm prices which has nothing to do with the Asian financial crisis. That underlying factor is the explosion of farm technology. Farm technology, by driving down the cost of production, is driving down the cost of farm products by increasing supply.

Let me give an example of it. We have fewer chickens in America today than we had 10 years ago. Yet we are producing more poultry. We have fewer pigs today and yet we are producing more pork. How is that possible? Because of a technological revolution that is occurring in American agriculture.

As I look at agriculture and as I look at the use of sensors, as I look at the use of new technology, nobody can know the future but it seems to me, looking at it—the only way we can see the future is by looking to the past. Looking at the recent past, it seems to me we are probably on the edge of an explosion of technology driven by biotechnology, driven by sensing devices, driven by the communication age where we are probably looking at a 20-year period where the natural trend in farm prices, independent of the Asian financial crisis, will be down.

Please do not believe because I say this that I want the trend to be down. But I think if we are going to set out a long-term policy, we have to understand the world at which we are looking. I believe these technological changes, which are partially responsible now for declining farm prices, are probably not going to go away.

One of the things I think that is hidden—I will get to these figures in a moment—is that while farm prices are down, so are farm costs. So this is leading some people to look at farm prices and define a financial crisis which is clearly there but not to the degree that the price of the final product alone would show.

Let me note that we had a recent estimate come out by USDA of net farm income. Let me also remind my Democrat colleagues that the Clinton administration runs the Department of Agriculture, not the Republican majority in Congress. The Clinton administration is now forecasting 1999 farm income to be \$43.8 billion. Farm income in 1998 was \$44.1 billion. So that is three-tenths of \$1 billion below last year.

If you look at the last 8 years, from 1990 through 1998, average farm income has been \$45.7 billion. We are looking at an income level that is basically \$1.9 billion below that level. If you look at the last 5 years of average farm income, it has been \$46.7 billion. So in looking at that number, we are looking at an income level there where we are about \$2.9 billion below that level.

Part of the story that is not being told in this debate, as we sort of jockey back and forth as to who can tell the

grimmiest tale in agriculture, is that the current farm program is doing a lot for American agriculture.

Last year, the American farm program, in dealing with a decline in prices, put into American agricultural \$12.2 billion of income. Under the existing programs that are in place, through guaranteed minimum prices, and other programs, we are looking already, without any legislative action, because of the way the current law is written, at the taxpayer paying \$16.6 billion of payments to farmers. Or, in other words, when the Department of Agriculture estimates that net farm income next year is \$43.8 billion, 39 percent of that estimate is made up of payments that are being made under the existing farm program.

Especially when our Democrat colleagues get up and talk about the sky falling, they completely leave out of the story that under existing programs we have guaranteed minimum prices, through our loan program, that will mean \$16.6 billion of payments from the Federal Treasury to the American farmer without any legislative action whatsoever by the Congress.

So I guess the first question that I pose is, that if farm income today is \$2.9 billion below the average of the last 5 years, and if the income for the last 5 years has been the highest level of income in the modern era, Why are we talking about \$10.7 billion of new payments to American agriculture?

From where did the \$10.7 billion come? And \$10.7 billion added to the level of farm income today would put average farm income substantially above the average for the last 5 years, substantially above the average for the last 8 years, and substantially above the average of farm income in the modern era of America. From where did the \$10.7 billion come?

It seems to me that the \$10.7 billion figure is simply a political figure. It started out fairly low at the beginning of the year. It has gotten bigger every month. I now understand that in the House, Democrats are asking for \$12.9 billion. So what is happening is we are in a bidding contest.

Let me also say that in terms of the \$6.9 billion that has been proposed on our side of the aisle, I do not see the logic of that number, either. It seems to me that since we have a loan program which in some cases has yet to be triggered because we have not harvested the crops, so that we do not know, in the final analysis, the extent of the drought or the impact of the bumper crop that is being produced in some parts of the country—we know the impact on price for corn and wheat and cotton and soybeans; we have a guaranteed minimum price—the logical thing to do would be to not get involved in a political bidding game but to simply allow the crop to be harvested, assess the drought damage, and decide how much to do and how to target it to the people who have actually lost money instead of a giant effort to simply throw money at the problem.

I am sure all of my colleagues are aware that from the disaster assistance for agriculture last year, still some of those programs have yet to be spent by the Clinton administration. So rather than getting in a bidding contest, it seems to me, with all due respect, that what we ought to be doing is waiting until our crops are harvested and assess what farm income is, compare it to a norm for the recent historic period, and then decide what we want to do to try to make a correction, see to the extent to which programs that are now in effect have an impact on farm income, and then figure out what the gap is compared to the norm, and then decide who lost money, and then see what we might do about it.

But with \$10.7 billion, if you spent the money by giving it to farmers, you would drive incomes far above the national norm, you would be overcompensating, in some cases, several times; and in reality, much of this money goes to a bureaucracy in Washington and not to the farmer.

So I am sorry that we have gotten into this debate, which ultimately had to come when we brought up Ag appropriations because we are going to have an election on the first Tuesday after the first Monday of next year. So we are engaged in this political bidding contest for the support of American agriculture. I do not see how these kinds of numbers can be justified, especially when we do not know what farm income is going to be.

Let me also say that this appropriations bill does not even go into effect until October 1. Not one penny that would be spent by the adoption of either one of these amendments will be available to farmers until October 1, and given the record of the Clinton administration, it is highly probable that most of this money won't even be distributed until next year. My point is, why don't we wait until we have the actual data, until we know who actually lost money, and make a rational decision.

Another point I would like to make—

Mr. DORGAN. Will the Senator yield for a unanimous consent request?

Mr. GRAMM. I am happy to yield.

Mr. DORGAN. Mr. President, because of another engagement, I ask unanimous consent that I be recognized to speak at 2:15 when the Senate reconvenes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Mr. President, there are some other figures I think we need to look at in deciding what we should be doing. I want to raise these. I know people are going to object to the fact that someone would actually try to raise concerns about the actual numbers we are talking about in American agriculture, when we are engaged in a debate about trying to outbid each other and spending money. This is from the Economic Research Service of the U.S. Department of Agriculture. This

is their agricultural outlook, just published in July of this year on page 55.

Let me tell my colleagues why this is important, and then I will go through the numbers. Why this is important is, we are basically pointing fingers back and forth saying we are not doing enough for American agriculture and that we ought to spend \$10.7 billion or we ought to spend, in the House, \$12.9 billion. I will go over a few figures which stand out to me in that somehow what is being shown in the actual numbers about agriculture and what is being debated on the floor of the Senate are two entirely different things.

Facts are persistent things. In listening, especially to our colleagues on the Democrat side of the aisle, one would assume that farm assets are falling right through the floor. One would assume we are virtually back in the Depression and the Dust Bowl and that USDA initial estimates for 1999 would be falling dramatically. Anybody who is listening to this debate would believe that is true.

Well, it is not true. In fact, in 1998, the preliminary number is that the total value of farm assets was \$1,124,700,000,000. The initial estimate by USDA—this is the Clinton administration—is that farm assets at the end of this year will be \$1,140,300,000,000. So while we are talking about the world coming to an end in agriculture, we have to junk the farm program and go back to letting Government dictate farm prices and engage in artificial scarcity and pay farmers not to plant and basically turn agriculture into one giant cooperative on the Soviet style plan because of the collapse in American agriculture. The reality is that we are projecting farm assets to rise this year and not fall. In fact, last year was a terrible year in agriculture. We had a huge farm payment at the end of the year as part of our emergency spending.

What do you think happened to farm assets last year? They went up, not down. They rose from \$1,088,800,000,000 to \$1,124,000,000,000. Something about this picture doesn't fit.

Let me go on. What do you think is happening to financial assets held by American farmers and ranchers? If you listen to all this doomsday scenario from our Democrat colleagues about how we have to junk the farm program and go back to a Government-run program, you would think farmers and ranchers are having to sell off financial assets, cash in their retirement, withdraw money out of the bank, close down their IRAs to try to stay in agriculture.

Facts are persistent things. In fact, we are projecting that financial assets held by American agriculture will actually rise this year from \$50 billion to \$51 billion.

Now, what do you think is happening to farm debt? You listen to all of this doomsday discussion about how we have to junk the farm program and have an American commissar of agri-

culture who has to go in and say: You cut back production by 20 percent; you plant this crop; you plant that crop; we will guarantee your prices. We will have artificial scarcity, and then we will make all this work through Government edict. What is the justification for all these program proposals? The justification, you would think, would be that farm debt is exploding; right? We are having a crisis?

Does anybody listening to this debate believe that farm debt in America is not exploding? You would never believe it wasn't exploding. You would think farmers are going deeper and deeper and deeper into debt. You would be wrong. In fact, the USDA estimate is that farm debt will actually decline in 1999, and it will decline from \$170.4 billion to \$169.1 billion.

What would you think would be happening to real estate debt? In listening to our Democrat colleagues talk about how we have to have the Government take over agriculture and go back to a program where you basically work off Government edicts because of a collapse in agriculture, you would think real estate debt is rising. People are having to borrow money against their land. They are having massive foreclosures. Could anybody listening to this debate not believe that real estate debt was exploding in America? They couldn't. They would know it had to be happening. But facts are persistent things. The fact is that real estate debt is actually declining in America. The projection by USDA is that the amount of real estate debt that farmers and ranchers have will decline from \$87.6 billion to \$86.7 billion.

Could anybody listen to this debate and not believe that non-real estate debt that farmers have is exploding? That is not possible. You listen to this debate, you have to conclude that every farmer in America is going deeper and deeper and deeper into debt. They are borrowing money. They are losing money. There is a catastrophe, a crisis, and we have to have Government take over agriculture. But astounding as it is, when you look at the numbers, non-real estate debt in agriculture is actually projected to decline in 1999 from \$82.8 billion to \$82.4 billion.

Finally, there could be no doubt about it, listening to this debate. Equity in farms and ranches in America has to be plummeting. There is no way that you can have all these catastrophes we have heard about, leading us to the argument that we need to spend in excess of \$10 billion right now in agriculture, and we need to junk our whole export production-based farm system to go back to a program that we couldn't make work in a simpler era when the Government basically ran agriculture. No one could doubt, not one person who listened to this debate, if you did a survey, not one person in 1,000 would have any doubt that farm equity, the equity of farmers and ranchers, what they own, has to be declining as a result of this agricultural

crisis. But it is not so. In fact, equity, by the U.S. Department of Agriculture, is projected to not only rise but to rise substantially in 1999, to rise from \$954.3 billion to \$971.2 billion. How can farm equity be rising when we have a crisis of such magnitude that we are debating having the Government take over American agriculture?

Well, the reality is, it is rising.

Let me mention two other figures. Could anybody listening to this debate believe that the debt-to-equity ratio in American agriculture is actually declining in 1999 or that equity is rising and debt is falling? Could you believe that, listening to this debate? You probably could not, but it is. And in terms of debt-to-assets, it is also declining from a ratio of 15.2 to a ratio of 14.8.

Now, the reason I went through all these numbers is, we should not be having this debate right now. This has turned into a political bidding contest where we are literally bidding to see who can spend more money. We need to know what is going to happen in terms of this year's harvest, and we need to know what farm income is when the harvest is in, before we set out a program to spend billions and billions of dollars to, A, be sure we are helping the people who need help and, B, be sure that the program makes sense.

There are some things we should be doing. We should be working to open world markets. Part of Freedom to Farm was a commitment to change trade policy. We ought to be debating trade today. We ought to be talking about how we can get the President to go ahead and finish the negotiations with China on WTO accession, so that they would have to lower their trade barriers against American agriculture. We should be debating taxes today. We committed to a program of letting farmers not only income average but to set aside a certain amount of income for a 5-year period, so that when times are good, they can set aside money so they have it when times are bad.

We ought to be talking about risk management and what we can do to deal with it. We ought to be talking about regulatory reform, where regulations are having a heavier and heavier burden on American agriculture. But we are not. What we are doing is talking about spending vast sums of money when we have no documentation of the exact magnitude of our problem or the distribution of that problem.

Now, I know the vote is going to be on, and I know we are going to have it this afternoon. I know we are going to have an opportunity to spend \$10.7 billion to junk the American farm program and go back to supply management. I know we are going to have a vote on spending \$6.9 billion to keep the current system and just allocate \$6.9 billion to be given away if and when, later on, the administration gets around to allocating it. But surely there must be some question raised when average farm income for the last



5 years has been \$46.7 billion. The projection by USDA is that farm income will be \$43.8 billion, and the adoption of either one of these amendments will produce farm income far above the average of the last 5 years.

Why is that a problem? It is a problem because if I am right that this explosion of technology in agriculture, which is growing twice as fast in terms of technological advances as the whole economy, if this is going to mean that for 20 years we are going to tend to have downward pressure on agriculture prices because of expansion in production and lower cost of production, to be in essence subsidizing and encouraging people to come into agriculture, or stay in it if they are inefficient, we are working counter to what we know has to happen for agricultural prosperity to occur.

The reason I went to the trouble to come over here and raise all these unpleasant facts in the midst of a debate about giving money is that there is one other figure that just is extraordinary to me. What would you think is happening to the amount of land being rented by American farmers? Prices are falling. We had prices falling last year, and we had an emergency spending bill. What would you think would be happening to cash rents? Well, everything I know about economics and about agriculture would tell me that, knowing what happened last year with prices declining and knowing the projections for this year, cash rents would have gone down. Everything you know would suggest that. But, in reality, cash rents are up—up—so that farmers are spending more money renting land in 1999 than they did in 1998. What does that suggest? Well, it suggests that what we did in 1998 actually pulled in more production, not less, and that we actually contributed to this problem by what we did in 1998.

The world is not going to come to an end if we spend \$10.7 billion or \$6.9 billion. Every penny of it is going to be added to the deficit. That is money that is not going to go to reduce debt, or fix Medicare, or pay for Social Security. We have all heard and used all those arguments—mostly when it benefited our side of the argument.

But please consider what is going to happen if we continue with these programs where the net impact is to bring more resources into an industry that is having a technological explosion, which is expanding supply, where we are producing more pork with fewer pigs, more poultry with fewer chickens—what is going to happen if we continue for 3 or 4 more years the kind of program we had last year, which apparently—and I simply raise the concern because nobody has mentioned it—what is going to happen if we are paying so much money that we are actually encouraging more production rather than compensating people partially for their losses. The adoption of either one of these amendments will mean that farm income next year will be above the average for the last 5 years.

Now, I would like farm income to be high. But the point is, I am afraid we are overriding the natural adjustment mechanism whereby, as people can produce more and more product with fewer inputs, what tends to happen is, they put fewer inputs into the industry. If I am right about this technology change, we are, with either one of these dollar figures, planting a seed that is going to destroy American agriculture as we know it because we are going to end up exacerbating oversupply and driving prices further and further down, and then we are going to have no choice except to let an awful lot of people go broke or to have the Government come in and say: OK, you produce at 50 percent of your capacity, and you produce at 50 percent of your capacity.

I just wish we were having somebody look at these kinds of problems before we got into this bidding war in the midst of an Agriculture appropriation bill. I wish we could wait until the fall and know what the losses were. None of this money will be available until October 1. Then we can come up with a reasonable program to try to compensate for some of these losses. But to simply be making up numbers in the billions is very dangerous and irresponsible, and we could end up really hurting the most efficient farmers and ranchers.

I thank my colleagues for giving me all this time. I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from West Virginia.

Mr. BYRD. Mr. President, has the order been entered as yet with reference to the conference luncheons today?

The PRESIDING OFFICER. Yes, it has.

Mr. BYRD. Mr. President, I ask unanimous consent that the time for the Senate to recess for those luncheons be temporarily extended for a half hour.

The PRESIDING OFFICER. Reserving the right to object, the Presiding Officer has something that I have to do in the policy session and would not be able to Chair.

Mr. BYRD. Mr. President, I would be happy to Chair.

I have done a little bit of that.

The PRESIDING OFFICER. If the request were propounded to be here to hear the Senator's speech, the Chair would be willing to do that.

Mr. BYRD. The Chair is very gracious.

I ask unanimous consent that I be permitted to proceed at this point in lieu of Mr. DORGAN. The list of names of Senators, I think, that have been entered up to this point would be, as of this moment, Mr. DORGAN, Mr. GRASSLEY, and Mr. BYRD. And I have permission of Mr. DORGAN to substitute myself for his name at the moment, and let his name fall in place for my name under the present circumstance. So it would be Mr. BYRD, Mr. GRASSLEY, and Mr. DORGAN.

I seek the help of the distinguished manager of the bill, Mr. COCHRAN, who is my friend. I ask unanimous consent that I may proceed at this point.

Would it be the wish of the manager, then, that the Senate recess, and the others on the list be recognized following the conferences?

Mr. COCHRAN. Mr. President, if the Senator will yield, I think that is a good suggestion.

Mr. BYRD. Very well. I thank the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, I was on the floor and objected.

Mr. BYRD. If the Senator will allow me, I haven't forgotten my promise to the Senator.

Mr. President, I ask unanimous consent that following the recognition of Mr. DORGAN, in order to comport with the understanding that there be alternative speakers, that a Republican Senator be recognized, and that he then be followed by Mr. BAUCUS. This will all occur after the conference luncheons.

Mr. COCHRAN. Mr. President, I have no objection. I think that is a good suggestion.

I thank the distinguished Senator from West Virginia.

Mr. BYRD. I thank the distinguished Senator.

Mr. BAUCUS. I thank the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from West Virginia.

Mr. BYRD. Mr. President, what is the Chair's understanding as to how long I will speak and when the Senate will recess for the conference luncheons?

The PRESIDING OFFICER. It is the Chair's understanding that the Senator will speak as long as he wishes.

Mr. BYRD. After which the conference luncheons will occur.

The PRESIDING OFFICER. Until the hour of 2:15.

Mr. BYRD. Yes. At which time those Senators on the list as presently drawn would be recognized in the order stated.

The PRESIDING OFFICER. That is correct.

Mr. BYRD. I thank the Chair.

Mr. President, usually, in this town, newspaper headlines are about politics. News stories feature articles about tax cuts, health care plans, and various partisan tactics.

But, yesterday's headline in the Washington Post, reads "Drought Is Worst Since Depression," and the story that follows warns of drought conditions that have gripped the Mid-Atlantic that are second only to the those seen during the bleak years of the Great Depression.

We have begun to feel the pinch of this drought, with water usage limited in certain areas. With these restrictions, many people are inconvenienced by the loss of their home landscaping investments—watching their grass, flowers, and shrubs slowly withering and turning brown.

But, this drought is more than an inconvenience for those employed in one of America's hardest-working, most selfless professions. That is farming. Farming is hard luck even at best.

I speak of the farmers throughout our region, including West Virginia, Virginia, Pennsylvania, Maryland, and Delaware, they are more than just inconvenienced. They are watching their very livelihoods slowly wither and turn to dust.

In West Virginia, this drought has devastated—devastated—the lives of hundreds of family farmers, and I am deeply concerned about the fate of West Virginia's last 17,000 surviving small family farms. West Virginia farmers work hard on land most often held in the same family for generations. They farm an average of 194 acres in the rough mountain terrain, and they earn an average of just \$25,000 annually. That is \$25,000 annually for 365 days of never-ending labor.

The distinguished occupant of the Chair, who hails from Wyoming, understands that farming is an every-day, every-week, every-month, 365-day operation every year with no time off. In farming there is no time off. That is \$68.50 a day for days that begin at dawn and run past sunset in this scorching heat. Today, as the drought lingers on, West Virginia farmers, particularly cattle farmers, find themselves in critical financial circumstances.

To address this crisis, I urge my colleagues to support the inclusion of a \$200 million emergency relief program for cattle farmers in the Fiscal Year 2000 Agricultural Appropriations Bill which is before the Senate. My provision—if enacted—would provide Federal disaster payments to cattle farmers for losses incurred as a result of this year's heat and drought. Compensation would depend on the type and level of losses suffered, and would be available to cattle farmers in counties across the Nation which have received a Federal declaration of disaster for severe drought and heat conditions.

My provision provides direct assistance to farmers who have dedicated their lives to feeding this Nation, and who suffer at the will of Mother Nature with no recourse.

In West Virginia, my emergency drought aid for cattle farmers will literally decide the future fate of hundreds of small family farmers. The drought has sucked the life from the land, and is on the verge of draining the last resources from the pockets of the drought-stricken farmers.

As of yesterday, Senator ROCKEFELLER and I went to West Virginia and were there when the Secretary of Agriculture, Mr. Glickman, was there to witness some of the drought-stricken areas in the eastern panhandle.

On that trip to West Virginia, Gus Douglas, the West Virginia commissioner of agriculture, told of being at a market where animals were being taken for sale.

One farmer, who had worked his entire life breeding a herd of which he

could be proud, was there with his animals. He was there to sell his cattle at this market. He was not there just with ten or twenty head of cattle. He was there with his entire herd. He knew that he did not have enough feed to make it through winter, so despite the fact that his animals would be poor prospects at auction, he had brought them all to be sold. They had already consumed the fodder that would otherwise sustain them through the coming winter months.

This farmer was losing twice. First, he would make no profit on the cattle he would sell. Second, he could no longer afford to keep his herd. It was time to completely liquidate the herd. As the farmer unloaded his animals at the market, there were tears in his eyes.

It was too late for this farmer, and if we do not act quickly to get an emergency assistance package passed, it will be too late for many, many more family farmers throughout the land.

During our visit to West Virginia, Secretary Glickman declared all fifty-five West Virginia counties a federally designated disaster area. West Virginia is not alone, and my provision will help, if it is accepted, if it is adopted, will help cattle farmers in Virginia, Maryland, Pennsylvania, and any other region that receives a natural disaster declaration for excessive heat and drought.

During this visit with the Secretary, more than twenty farmers and their wives, gathered inside a barn on Mr. Terry Dunn's property in Jefferson County to share their personal stories about how the drought is impacting them and what kind of help they need. The overwhelming consensus was that programs that were designed to work at a time when our agriculture markets were strong, are not going to be enough to keep a new generation on the family farm.

In spite of all types of adversity, family farmers have had the ingenuity to keep their farms working for generations. Surely they can be trusted to wisely use direct federal payments, and with this same time-tested ingenuity, keep their farms running. Farmers in West Virginia have wisely diversified their crops. In ordinary years, many farmers grow enough different kinds of crops to be able to feed their animals, their families, and still take produce to market for a good portion of the summer. But, the extraordinary times of this drought require that we act now to help West Virginia's farmers and other farmers in the non "farm states" who are currently experiencing difficulties as the result of extreme weather conditions.

According to government statistics, West Virginia is experiencing some of the most severe water shortages in the nation. Crop losses in one county alone, Jefferson County, were estimated two weeks ago to be almost \$8.7 million and they are above that now. In the Potomac Headwaters region of

the state, conditions are much worse. Total damages in the state for crop losses are more than \$100 million. This figure does not even include the value of grazing pasture lost and winter feed eaten during the summer, or losses incurred from selling livestock early, due to extreme weather conditions.

Almost fifty percent of West Virginia's cropland is pasture, forty-six percent is harvested, and the remaining four percent is idle. The hay and corn that usually feed the cattle herds are gone. The ponds are shallow and foul, the springs are dried up, and the wells are dry.

Although West Virginia farmers are willing to work day and night to keep up with the backbreaking work of farming, no amount of work will restock the dwindling stores of grain that are now being used to keep animals alive at the height of the summer growing season, when pastureland should be more than enough to satiate an animal's hunger. No amount of sweat can restore vigor to stunted crops that have gone too long without a soaking downpour of rain reaching the deepest roots. There is little that these farmers can do to fill their wells or farm ponds with water.

I traveled to see the damage that the drought in West Virginia is causing for farmers. I heard for myself the stories they told. I saw for myself the impact this drought is having, and I saw on those tired, drawn faces the impact this drought is having on the bodies, the minds, and the souls of men and women who earn their bread by the sweat of their brow, in accordance with the edict that was issued by the Creator Himself when He drove Adam and Eve from the Garden of Eden.

We visited a corn field on Terry Dunn's farm. The reddish soil was dust at my feet. The corn stalks that should have grown beyond my head by this time of the season were barely knee high.

I wanted to see what kind of ears these stunted stalks were producing. The ear of corn that I reached down and selected snapped too easily from the stalk. This not yet shucked ear of corn was barely bigger than two rolls of quarters. I saw the conditions of the cattle and pastureland in West Virginia. I saw the dry, cracked fields; I saw the stunted corn stalks; and I heard the stories of farmers. It all amounts to a heart-breaking picture.

I urge my colleagues to help all cattle farmers in areas declared as Federal disaster areas as a result of excessive heat or drought, and to support my provision in their behalf. My amendment will ensure direct relief to the cattle farmers in the Northeast affected by this natural disaster. It will serve to bolster other important aid for fruit and crop losses.

The sweltering temperatures have taken their toll on farmers in the Mid-Atlantic region. Let us not turn the heat up further. Let us support the small family farmer in his or her hour of need.

My amendment is a part of the Daschle-Harkin bill. I thank all Senators for listening.

I yield the floor.

# RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:46 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. INHOFE].

## AGRICULTURE RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2000—Continued

AMENDMENT NO. 1500

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I rise to support the amendment offered on this side of the aisle because I think it meets all the income deficiency needs of American agriculture pretty much in the same way as the Democrat proposal does, but it also does not spend money in a lot of other areas that do not meet the immediate needs of agriculture.

I have always thought of agriculture and the needs of food production and the process of food and fiber production in America as kind of a social contract between the 2 percent of the people in the United States who earn their livelihood in farming and the rest of the 98 percent of the people, as well as a social contract of the last 60 years of some Government involvement and some Government support of agriculture, particularly in times when income was very low.

Thinking of it as a social contract, then, I do not like to believe there is a Democrat way of helping farmers or a Republican way of helping farmers. I like to think of our being able to work together on this social contract pretty much the same way we work together on Medicare and Social Security—to get agreements when there are changes made in those programs.

In those particular programs—and, thank God, for most agricultural programs—there have not been dramatic changes over the years unless there has been a bipartisan way of accomplishing those changes. So, here we are, with a Democrat proposal and a Republican proposal. People watching this throughout the country, then, have their cynicism reinforced about how Congress does not cooperate.

While this debate has not been going on just today and yesterday but over the last 2 or 3 months, there was an assumption that there would be help for agriculture under almost any circumstances; it was just a question of how to do it and exactly how much.

While this debate was going on, we have had different approaches, and it has brought us to a point where we have a Republican proposal and a Democrat proposal and we are talking past each other. I am hoping sometime before this debate gets over today and we have a final document to vote on, that we are able to get together in a Republican and Democrat way and have a bipartisan solution, at least for the essential aspects of the debate today, which is to have an infusion of income into agriculture considering that we have the lowest prices we have had in a quarter century.

I think there are two stumbling blocks to this. I think on the Democrat side the stumbling block to bipartisan cooperation is a belief among some of those Members that some of the money should find its way to the farmers through changes in the LDP programs as opposed to the transition payments. On our side, the stumbling block seems to be that we are locked into no more than \$7 billion to be spent on the agricultural program.

So I hope somewhere along the line we can get a compromise on this side and a compromise on that side of those two points of contention. Hopefully, we on this side could see the ability to go some over \$7 billion—and that the Democrats would see an opportunity to use the most efficient way of getting all the money into the farmer's pocket through the AMTA payments.

The reason for doing it that way is because we do have a crisis. The best way to respond to that crisis is through that mechanism because within 10 days after the President signs the bill, the help that we seek to give farmers can be out there, as opposed to a convoluted way of doing it through the LDP payment.

I do not know why we could not get a bipartisan compromise with each side giving to that extent—Republicans willing to spend more money and the Democrats willing to give it out in the way that most efficiently can be done.

So I see ourselves right now as two ships passing in the night, not speaking to each other. We ought to be able to get together to solve this. That is my hope. I know there are some meetings going on about that now. I'm part of some of those meetings. I hope they can be successful.

In the meantime, talking about helping the family farmer, I think it is very good to have a description of a family farm so we kind of know what we are talking about. I am going to give it the way I understand it in the Midwest, and not only in my State of Iowa.

But it seems to me there are three factors that are essential in a family farming operation: That the family makes all the management decisions; that the family provides all or most of the labor—that does not preclude the hiring of some help sometimes or maybe even a little bit of help for a long period of time; but still most of the labor being done by the family—

and, thirdly, that the capital, whether it is self-financed or whether it is borrowing from the local bank or from another generation within the family, is controlled by the family farmer—the management by the family, the labor by the family, and the capital controlled by the family.

Some people would say: Well, you have a lot of corporate farms. I do not know what percent, but we do have corporate family farms. But that is a structure they choose to do business in, especially if they have a multigenerational operation to pass on from one generation to the other and want to with a little more ease.

In addition, some people would say: Well, you have a lot of corporate agriculture. You might have a lot of corporate agriculture in America, but I do not see a lot of corporate agriculture, at least in grain farming in my State of Iowa—mainly because most corporate people who want to invest their money do not get the return on land and labor through grain production that they normally want for a return on their money. Of course, that strengthens the opportunity to family farm. But at least when I talk about the family farmer, that is the definition that I use.

In my State, the average family farm is about 340 acres. We have about 92,000 farming units in my State. By the way, if we do not get this agricultural economy turned around, we are going to have a lot less than 92,000 in a few months, as well.

Nationwide, there are about 2 million family farming operations with an average acreage of about 500 acres. So the average family farm size nationally is bigger than in my State. But remember, whether you farm 10,000 acres as a cattle farmer in Wyoming or 2,000 or 3,000 acres as a wheat farmer in Kansas or 350 as a corn, soybean, or livestock operation in my State of Iowa, it still is one job or maybe two jobs being created with all that capital investment.

Let me tell you, it takes a tremendous amount of capital—both machinery as well as land—to create one job in agriculture compared to a factory, and many times more than for a service job. So those are the family farmers I am talking about whom I want to protect.

Earlier in this debate there was some hinting about the problems of the farmers being related directly to the situation with the 1996 farm bill. I am not going to ever say that a farm bill is perfectly written and should never be looked at, but I think when you have a 7-year program, to make a judgment after 3½ years that it ought to be changed, then what was the point in having a 7-year program in the first place?

It was that we wanted to bring some certainty for the family farmer without politics meddling in their business. A 7-year program was better than a 4- or 5- or 6-year program. So we wanted to bring some certainty to agriculture.

Obviously, a 7-year program does that more so than a shorter program. So a family farm manager would not have to always be wondering, as he was making decisions for the long term: Well, is Washington going to mess this up for me as so many times decisions made by bureaucrats in Washington have the ability to do?

So I am saying some people here are hinting at the 1996 farm bill being that way. Others of us are saying that the trade situation is the problem because farmers have to sell about a third of their product in export if they are going to have a financially profitable situation.

I want to quote from Wallaces Farmer, January 1998, in which there were tremendous prospects, even just 18 months ago, before the Southeast Asia financial crisis was fully known, for opportunities for exports to Southeast Asia. That situation for the farmer was further exacerbated by the problems in Latin America. So I want to quote, then, a short statement by a person by the name of John Otte: "World financial worries rock grains."

"Expanding world demand, particularly in Asia, is the cornerstone of the case for continued strength in corn, wheat and soybean prices," points out Darrel Good, University of Illinois economist.

Quoting further from the article:

Asian customers bought 57% of our 1995-96 corn exports, 66% of our 1996-97 corn exports and almost 50% of our wheat exports in both years. They [meaning Asian markets] are important markets. No wonder Asian currency and stock market problems bring grain market jitters.

"Signs of stability in Asian financial markets as central banks intervened to support currency values brought a sigh of relief to U.S. commodity markets," says Good.

"Whether late fall problems represent an economic hiccup or the beginning of more serious problems is still unknown. However, the developments underscore the importance of Asian markets for U.S. crops."

We know the end of that story. The end of that story is that we did have that collapse of markets. And it very dramatically hurt our prosperity in grains in the United States last year, and more so this year.

Now, just to put in perspective the debate today, because there is so much crepe-hanging going on, particularly from the other side of the aisle, there is a quote here by Michael Barone of the August 28, 1995, U.S. News and World Report. One sentence that will remind everybody about the greatness of our country and our ability to overcome some of the problems we face comes from an article called "A Century of Renewal." It is a review of the 1900s. He says:

There is something about America that makes things almost always work out very much better than the cleverest doomsayers predict.

So for my colleagues, particularly those on the other side of the aisle who want to hang crepe and want to talk about the disastrous situation we are in right now, I do not want to find fault

with their bringing to the attention of our colleagues the seriousness of that problem. But they should not leave the impression that there is no hope because this is America. We have gone through tough times before. All you have to do is remember 1985 and 1986 in agriculture and the 1930s in agriculture. Yet the American family farm that was the institution then—probably on average back in those days of only about 150 acres nationwide; today that is 500 acres nationwide—was a smaller operation, but remember, it was still run by the family farmer, the family making the management decisions, the family controlling the capital, and the family doing the labor.

Please remember that, even the most cleverest of doomsayers here today: Don't give up on America. Don't give up on American agriculture. Don't give up on the family farmer. We are in a partnership during the period of time of this farm bill. We have to meet our obligations, and that is what this debate is about. But this debate ought to be about hope for the family farmer as well.

I rise in support of our family farmers. Agriculture producers are in desperate need of immediate assistance. We need to find the best options available in these trying times. The Democrat proposal attempts to address the problems confronting our family farmers but, I think, falls short of our most important goal, which is providing assistance as quickly as possible.

I realize this disaster affects farmers all across the Nation, but at this moment I am most concerned about my friends and neighbors back home. I am concerned that the Democrat alternative, by tying revenue relief to the LDP payments, will delay the efficiency of delivering the payment, unlike the transition payment which is more efficient.

The Democratic alternative offers provisions that would have a long-term effect upon agriculture. I don't want anyone to misunderstand me on that point. There are many things we can do to improve the agricultural economy, but the task before us today is to develop and to pass a short-term relief package that we can get out to those in need as quickly as possible.

According to the Farm Service Agency's estimate, the transition payments provided to corn growers this year will pay out at a rate of 36 cents per bushel. The supplemental transition payment Republicans are offering will equal an additional 36-cent increase on every bushel of corn produced this year. That is 76 cents in assistance for Iowa family farmers, before you figure in any income through the loan deficiency payment.

As a Senator from my State of Iowa, I believe it is also particularly important to include language providing relief for soybean growers who are not eligible for the transition payments. That is why our proposal also contains \$475 million in direct payments to soy-

bean and other oilseed producers. I am proud to say that Iowa is No. 1 in the Nation in the production of soybeans, but our growers have been hard hit by devastatingly low prices. Prices for soybeans are the lowest they have been in nearly a quarter of a century, down from the \$7-a-bushel range just a couple of years ago to less than \$4 today, which is way, way below the cost of production. That is why I and other Senators representing soybean-producing States wanted to make sure that soybean growers were not left out of any relief package.

Finally, the Democrat proposal falls short in another very important area. I think it undermines our U.S. negotiating objectives in the new multilateral trade negotiations that the United States will launch later this year. It will sharply weaken, and perhaps destroy, our country's efforts to limit the enormously expensive European Union production subsidies that make it impossible for our farmers to sell to the 540 million European consumers.

I will say a brief word on that point. First, the United States just presented four papers to the World Trade Organization in Geneva outlining U.S. objectives for the new agriculture negotiations starting this fall. The first of these papers deals with domestic support. It states that the United States negotiating objective with regard to domestic support is a negotiation that results in "substantial reductions in trade-distorting support and stronger rules that ensure all production-related support is subject to discipline."

Production-related payments are by definition trade distorting. They are exactly the kind of payments that we want the European Union to get rid of. I don't know how we can enter into tough negotiations with Europeans, with their production payments our No. 1 negotiating target, while we boost our production-related payments at the same time, which is what is done with part of the money under the Democrat proposal. This would undermine our negotiators and give the Europeans plenty of reason to hang tough and to not give an inch.

My second point is closely related to the first. We will measure success at the new world trade talks based on how well we do at creating an open global trading system. The European Union's common agricultural policy nearly torpedoed world trade negotiations as early as 1990. The European Union later said it was reforming its common agriculture policy, but farm handouts this year in the European Union will reach \$47 billion, nearly half of the entire European Union budget. Moreover, the largely production-based European Union subsidies still help those who least need help. Twenty percent of the European Union's richest farmers receive 80 percent of the common agriculture policy handout.

World farming is sliding deeper into recession with prices of some commodities at historic lows. Now is not the

time to give up on pressing the European Union hard to truly reform this vastly wasteful subsidy program in their continent. But that is exactly what we would end up doing if we go down the same road of tying part of these payments to production, as the Democrat alternative would do.

There are many enemies of agriculture market reform in the European Union who are just looking for any circumstance to justify their special pleading and to combat and counteract United States negotiators in order for the European Union to keep their production subsidies going. I am afraid that is exactly what the Democrat plan would do. I think as chairman of the International Trade Subcommittee, I have a responsibility to tell my colleagues this.

We should not hand the European Union an excuse to back away from real reform that opens the European Union's huge agricultural markets to American farmers.

The proposal that we pass today should be the fastest and most efficient option available to help our family farmers. The most important thing we can do today is to work towards providing emergency revenue relief to our farmers as quickly as possible.

It is for that reason I urge my colleagues to vote for our Republican alternative, to provide ample and immediate relief for hard-hit farmers, assuming we are not able to work out some sort of bipartisan agreement between now and that final vote.

I only ask, in closing, for people on the other side of the aisle who are criticizing the 1996 farm bill to remember that what we call the 1996 farm bill relates mostly to agricultural programs and totally to the subject of agriculture. We need to look beyond that basic legislation and realize there were a lot of things promised in conjunction with that farm bill through public policy that we have not given the American farmer, which makes it difficult to say we have fully given the American farmer—the family farmer—the tools he or she needs to manage their operation in the way they should.

Yes, we have given them the flexibility to plant what they want to plant without waiting for some Washington bureaucrat to do that. We have given them the certainty of a certain transition payment every year, from 1996 through the year 2002. We have told them, with the 7-year farm program, that they have 7 years where we are going to have some certainty, political certainty, in Washington of what our policies are. But we also promised them more trading opportunities.

We have not made the maximum use of the Export Enhancement Program so that we have a level playing field for our farmers. We have not given the President fast track trading authority so that in the 24 agreements that have been reached around the world among other countries we could have been at the table, and haven't been at the

table, and that there is no President of the United States looking out for U.S. interests in those negotiations; and for the sake of the American farmer, we should be at some of those tables—at least those tables where agriculture is being talked about.

We have not given the farmer the regulatory reform that has been promised. And from the standpoint of taxes, we haven't given the farmer the opportunity, through the farmers savings account, to level out the peaks and valleys of his income by being able to retain 20 percent of his income to tax in a low-income year, so that he is not paying high taxes one year and no taxes another year. We haven't given him the ability to do income averaging without running into the alternative minimum tax. We haven't reduced the capital gains tax enough. And we still have the death tax, the estate tax, which makes a lot of family farmers who want to keep the farm in the family sometimes have to sell the farm to pay the inheritance tax, instead of keeping the family farm and passing it down from one generation to another. Sometimes, if they can't afford to do that, they either make their operation so inefficient that they close down business or else they have a terrific tax burden over them as well.

So here we have an opportunity to—in the spirit of the 1996 farm bill, when we told the farmers of America we were going to have a smooth transition over the next 7 years, we said to them we are going to set aside \$43 billion for each of those next 7 years—not for each, but cumulative for those 7 years. This year, it is \$5.6 billion. Well, we look back now, and in 1996 we did not anticipate the dramatic drop-off in exports because we could not have predicted the Southeast Asian financial crisis and the contagion that caught on in Latin America. So we are going back now, unapologetically, on keeping a promise to the family farmers that we are going to keep this smooth transition we promised them, and that is what the amount of money we are talking about here on the floor is all about.

The PRESIDING OFFICER. Under the previous order, the Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, I have waited some while to be able to speak on these disaster bills and on this general issue. I am very pleased to have the opportunity for my colleague from New York who asked if I would yield for a minute for a question. I am happy to do that.

Mr. SCHUMER. First, I thank the Senator from North Dakota and Senators HARKIN and DASCHLE for the farm aid amendment, and for their hard work. This measure will help farmers across the country, including the farmers of New York State, who were hard hit by drought and last year's storms.

We are in the midst of the worst drought since the Dust Bowl in my State. There is not a penny of relief for farmers with drought assistance. This

drought is affecting farmers throughout the Eastern United States. When I meet with farmers in New York who tell me they are facing unprecedented losses, they are now pointing to letting fields die off to conserve water, or other fields. We can't do anything about the rain, but the Democratic amendment would increase section 32 funding to give farmers some relief from the devastation on the farm and would increase funding for the disaster relief fund—something that would help New York's apple and onion farmers who faced tens of millions in losses last year.

In urging my colleagues to support the Democratic amendment, I simply ask the Senator from North Dakota, am I correct in assuming that the Democratic amendment does have this kind of drought relief, which is not in the other bill?

Mr. DORGAN. The Senator from New York is correct. That is one of the distinctions between these two pieces of legislation. As the drought spreads across the eastern seaboard and other parts of the country and begins to devastate producers there, there needs to be some disaster relief. We have two pieces of legislation proposed today, one of which has no disaster relief at all, even in the face of this increasingly difficult drought.

So the Senator from New York, speaking on behalf of producers who are hard-hit in New York, is certainly accurate to say that the amendment we have offered provides drought relief and the alternative does not.

Mr. SCHUMER. I thank the Senator for his generosity.

Mr. DORGAN. Mr. President, this is not about Republicans and Democrats. I start by saying to my colleague from Iowa that I hope, whatever comes from all of this debate, at the end of the time we can, as Republicans and Democrats, find a way to provide appropriate relief to people who are hurting. There is not a Republican or a Democratic way to go broke on the family farm. The destruction of hopes and dreams on the family farm is something that is tragic and something to which we need to respond.

This is not of the family farmers' making. They didn't cause prices to collapse or the Asian economies to have difficulty, and they didn't cause a wet cycle or crop disease. It is not their fault. We must, it seems to me, respond to it. But it is appropriate, I think, for there to be differences in the way we respond. There is a philosophical difference in the way we respond. Also, there has been a difference in the aggressiveness and interest in responding. I know that if this kind of economic trouble were occurring on Wall Street or in the area of corporate profits, we would have a legislative ambulance, with its siren, going full speed in trying to find a solution. It has not been quite so easy because it is family farmers.

Darrel Sudzback is an auctioneer from Minot, ND. Blake Nicholson, an

Associated Press writer, wrote a piece the other day. He said:

Darrel Sudzback likens farm sales to funerals. He said, "If you don't know the deceased, you are not likely to get emotional." But more often than not these days, auctioneers must help a friend or a neighbor sell off a lifetime of hard work. Marvin Hoffman says, "It just hurts me to do this. When they hurt, I hurt." With many families [Mr. Nicholson writes] sliding deeper into an economic nightmare, the number of farm sales in North Dakota continues to rise. "It used to be," one auctioneer said, "that a farm auction was kind of like a social event, a joyful event when somebody was retiring." Julian Hagen said that he conducted auction sales for 43 years, but he said, "Now there is a different atmosphere at auction sales. If people know that a man is forced out, that is not a good feeling. It is tough to deal with when you have known a family farmer for quite a few years, and now they have to give up a career or property they have had in the family for generations. I try to stay as upbeat as I can. Bankers in north-central North Dakota say that area has been hit by 5 years of flooding and crop disease, and many farmers have been forced off the land."

People need to think of this problem in terms of not only lost income, but assume you are on a farm and you have a tractor; you have some land; you have a family; you have hopes and dreams. You put a crop in the ground and see that this is what has happened to your income—to your price.

Then on top of that, add not only collapsed prices, but add the worst crop disease in this century—the worst in a century in North Dakota. On top of that, add a wet spring so that 3.2 million acres—yes, I said 3.2 million acres—of land could not be planted. It was left idle. Add all of those things together, and you have a catastrophe for families out there struggling to make a living.

Will Rogers was always trying to be funny. He used to talk about the difference between Republicans and Democrats. He said on April 6, 1930, "Even the Lord couldn't stand to wait on the Republicans forever."

He was talking about the farm program.

There is a difference, it seems to me. There is a difference between Republicans and Democrats in how we construct a solution to the disaster and the crisis, and how we feel the underlying farm bill should be changed.

Will Rogers also said, "If farmers could harvest the political promises made to them, they would be sitting pretty."

I want to talk a bit about those political promises—the political promises given farmers early on to say that we want to get rid of the farm program as we know it in this country, get rid of the safety net as we know it, and create something called "transition payments" under the Freedom to Farm bill.

I mentioned yesterday that the title was interesting to me. Sometimes titles can change how people perceive things notwithstanding what might be the real part of a proposal. Early on when people began to sell insurance in

this country, they called it death insurance. You know, death insurance didn't sell too well. So they decided that they had better rename it. So they renamed it life insurance, and it started selling. It was a better name. It is a product that most Americans need and use.

It is interesting. What is in a name. The name for the farm bill a few years ago was Freedom to Farm. We passed a Freedom to Farm bill. The wheat price slump on this chart may be unconnected, or maybe not to Freedom to Farm.

Here are the wheat prices before—Freedom to Farm—and wheat prices since. Chance? Happenstance? Maybe. Maybe not. Maybe we face a circumstance in this country where the underlying farm bill was never designed to work and allowed for collapsed prices. Maybe that is the fact.

I want to begin with a bit of history.

About 40 years ago, a biologist by the name of Rachel Carson wrote a book that in many ways changed our country. It was called "The Silent Spring." The book documented how the products of America's industrial production were seeping into our country's food chain. The modern environmental movement was also from Rachel Carson's book, "The Silent Spring."

Today we face another "silent spring" in this country. Like the first, it is of a human making. But it is not about birds, and it is not about fish. It involves our country's independent family farmers and producers. It involves our social habitat—the farm communities of which family farmers are the base.

We know that family farmers are hurting. In fact, many would consider it an extraordinary year if they had any opportunity at all to meet their cost of production. I know of cases that break my heart—people who have fought for decades, and now are losing everything they have. What is worse is that some opinion leaders are starting to throw in the towel. They say, well, maybe family farming is a relic of the past. Maybe it is not of value to our country anymore. Maybe it is time to do something else.

I don't buy that at all. I think one thing we can say about the future is that people will be eating. The world's population is growing rapidly. Every month in this world we add another New York City in population. Every single month, another New York City in population is added to our globe. We know there is no more farmland being created on this Earth. It doesn't take a genius to put those two together.

Mr. SARBANES. Will the Senator yield?

Mr. DORGAN. I am happy to yield.

Mr. SARBANES. I want to underscore the point the distinguished Senator from North Dakota is making.

Yesterday, I had the opportunity to go with Secretary Glickman and Governor Glendening to visit one of the farms that has been affected by the

drought in our State. It is devastating to see. Of course, it is a compound of two things: The low commodity prices, which the Senator is demonstrating with his charts—this is not only wheat but the same thing applies to other basic commodities as well—and the drought, which is crippling certain parts of the country.

We talked to this farmer who has been farming ever since he was a young boy. His father was a farmer. His grandfather was a farmer. He doesn't know whether he will be in farming next year because of what has hit them—the combination of the low commodity prices and the drought which is now desperately affecting our country.

He is not alone. Farmers across Maryland and indeed, the nation, are finding themselves facing similar circumstances. Nearly one fourth of Maryland's corn crop is in poor to very poor condition. Likewise, 55 percent of pastures and hay fields are in poor or very poor condition. Milk production has decreased because of the high temperatures. And because pastures and field crops are in such bad shape, cattle and dairy farmers are now faced with a dilemma, whether or not to sell their animals or begin feeding them hay which should be utilized over the winter.

Maryland has suffered extensive drought damage for three consecutive years. However the drought this year is by far the worst since the depression. Yesterday, the United States Geological Survey reported that we may be in the midst of what could become the worst drought of the 20th century. Rainfall throughout Maryland is currently between 40 and 50 percent below normal. Throughout Maryland, counties are reporting losses as high as 100 percent for certain crops. Most alarmingly, there is no end in sight.

But the crisis affecting agriculture is about more than the drought. The dramatic drop in commodity prices, since the enactment of the Freedom to Farm Act, has had its affect on farmers throughout the country and the State of Maryland. The poultry industry, which is Maryland's largest agricultural producer, has witnessed a 45-percent decrease in exports. The situation for farmers is bleak and many are losing their businesses.

Mr. President, Maryland depends on agriculture. Agriculture is Maryland's largest industry contributing more than \$11 billion annually to our economy. More than 350,000 Marylanders—some 14 percent of our State's workforce—are employed in all aspects of agriculture from farm production of wholesaling and retaining. Forty percent of our State's land is in agriculture—more than 2 million acres. So when our family farmers and the farm economy start hurting—everyone suffers.

Our farmers are in trouble and they deserve our assistance. This measure provides that assistance in the form of direct payments and low interest loans.



It gives nearly \$11 billion in emergency assistance to farmers and ranchers who have been affected by natural disaster and economic crisis. \$6 billion of that amount will deliver income assistance to farmers hit hard by the economic disaster. And more than \$2.6 billion will be used to address natural disasters such as the drought. Within the disaster funds, nearly \$300 million in section 32 and disaster reserve funds has been included to specifically address the Mid-Atlantic drought.

Mr. President, the need for this amendment is real. Until we are able to reform the Freedom to Farm Act or manufacture rain, these funds are vital to the preservation of the farm industry throughout the State of Maryland and the United States.

In my judgment, it is imperative that we pass this legislation.

I very much appreciate the Senator from North Dakota yielding. I want to underscore the crisis nature of the situation to which he is referring.

I want to acknowledge the consistent and effective leadership which he has exercised on many of these farm issues. He and others of us expressed concerns and questions at the time the 1996 act was passed. Much of that now seems to have come around to hit us—compounded, of course, by these serious weather circumstances which exist not in all parts of the country but in certain parts of the country.

I thank the Senator for yielding.

Mr. DORGAN. I thank the Senator from Maryland. He is talking about a drought which is devastating part of our country even as collapsed prices have been devastating wheat farmers and the grain farmers in my part of the country.

I want to respond to some things that were said earlier today that somehow we are not as efficient as we need to be as family farmers.

In my judgment—and I think the evidence supports this—the family farmer in our country is as productive as any in the world. It supports our rural communities in ways that corporations never will and never can.

Family farmers have faced hard times before. This is not something new. The history of farming is a history of difficulty. But never before has the Federal Government done so little to help and so much to push the producer off the edge.

On top of the floods that we have talked about and the drought and the slump in the foreign markets, our farmers are facing a plague of deliberate public policies—yes, established here in Washington—that undermine their economic interest. They face trade agreements designed for the convenience of food processors rather than food producers. They face a “see-no-evil” posture toward antitrust enforcement that has left family farmers selling into controlled markets that dictate the terms to them. On top of that, they face a 1996 farm bill that fundamentally doesn’t and can’t work.

There is a larger issue than dollars and cents; namely, the kind of country we are going to be.

It is not fashionable to raise all of these issues. We are supposed to keep our mouths shut and cash in on the stock market which has done quite well. But the Founding Fathers didn’t create this country primarily to be an engine of stock market riches or rising gross domestic product. They created this country to promote a way of life based on freedom and democracy and independent producers in contrast to the aristocracy they left behind in Europe.

The concept of independence and freedom was rooted in the land, and they couldn’t conceive of these things being separate.

Wendell Berry, a farmer, testified recently in Washington at a hearing that I chaired. He said:

Thomas Jefferson thought the small land owners were the most precious part of state, and he thought government should give priority to their survival. But increasingly, since World War II our government’s manifest policy has been to get rid of them. This country is paying a price for this. That price doesn’t show up on the supermarket shelves but rather our Nation’s spirit and our character.

Independent family-based agriculture produces more than wheat, beef, and pork. It produces a society and a culture, our main streets, our equipment dealers, our schools, our churches, and our hospitals. It is the “culture” in agriculture. Take away family-based producers and all that is left are calories. That is a radical change in our country. I am not talking about rural sentimentalism or nostalgia. It is something we know from experience. Rural communities work. They have so many of the things the Americans all over this country say they want, including stable families, low crime rates, neighborliness, a volunteer spirit.

In my hometown of Regent, ND, they still leave the keys in the car when they park on Main Street. Try doing that here. Many Americans have plenty of food on their tables, but what they feel is a growing dearth of the qualities that they want most are the qualities that farm communities represent. It would be insane, in my judgment, to stand by and let these communities wither on the vine by neglecting the economic base that sustains them.

Yes, the Nation’s financial establishment is enthused about that prospect. It can’t wait to turn hog barns into agrifactories and more. However, that will not advance this country’s interests. We can’t stop bad weather and we can’t stop unruly markets, but we can change Federal policies that turn adversity into quicksand for family farmers.

I listened to a ringing defense of the current farm program. I listened to one of my colleagues who was an economist, and I mentioned before I used to teach economics but was able to overcome that and go on to think clearly.

There is an interesting debate among economists about all of these issues. First, is there a crisis? Listening to part of the debate this morning one would think there is nothing wrong on the family farm. Is there a crisis? Would anyone in this country be feeling there is a crisis if this is what happened to their income? If any sector of the American economy had this happen to their income, would they consider it a crisis? The answer is, of course.

I had a farmer come to a meeting who farmed the lands that his granddad farmed, his dad farmed, and he farmed. He stood up and said: For 23 years, I farmed this land. His chin began to quiver and his eyes began to water. He could hardly speak. He said: I’m going to have to leave this farm.

Anyone could tell he loved what he did. He was going to lose the farm that his granddad, dad, and he had farmed for those many decades. Is that a crisis? I think so.

In my State, add to the fact that incomes have collapsed because of price collapses, 3.2 million acres were not planted because of wet conditions in the spring—3.2 million acres. A young boy wrote some while ago and said: My dad could feed 180 people and he can’t feed his family.

Is that a crisis? Of course.

Why the crisis? I mentioned collapsed prices and a wet spring and the worst crop disease in the century in our part of the country. This notion of a farm bill that says the free market shall determine what happens in agriculture, by cutting the tether and turning it all loose, finds you scratching your head and wondering, gee, why didn’t this work out the way we thought? Because the market isn’t free. It never has been free and never will be free.

That bill that says we will transition farmers out of any help, over 7 years that bill transitions farmers into a marketplace that is fixed. Does anybody know what kind of tariff we have putting beef into Japan at this moment? I guess it costs \$30 or \$35 a pound to buy T-bone steak in Tokyo. Does anybody know what tariff exists on beef going into Japan? Very close to 50 percent. That is a failed free market by any definition anywhere. That is after we reached an agreement with them 10 years ago.

How about China? They consume half the world’s pork. Are we delivering a lot of hogs into China? No, we have a \$50 billion to \$60 billion trade deficit with China and we are not exporting enough hogs into China.

What about wheat in Canada? No. I drove to the border of Canada with a truck and couldn’t get the wheat into Canada. I stopped at the border, and all the way to the border, semitruckload after semitruckload after semitruckload was coming into this country, hauling Canadian grain into our country and undercutting our farmer’s prices. We sit at the border trying to go north, you can’t. The border coming south is flooded by millions

of wheat acres, unfairly subsidized, sold to us by a Canadian wheat board. It is a state monopoly and would be illegal in this country, with its secret prices. Our trade officials downtown wouldn't lift a finger—never have and never will—to deal with the unfair trade practices.

I mention Japan, China, and Canada. I could list other countries for an hour, but I won't. Then we say to the family farmers, operate in a free marketplace. That is what we have created, a marketplace that is fundamentally corrupt with respect to fairness to our family farmers.

My colleague this morning, Senator CONRAD, talked about the Europeans subsidizing exports to the tune of ten times our subsidies. Is that fair competition? I don't think so.

Over and over and over, if it is not just unfair competition in selling, selling into our marketplace with products that ought not be allowed, produced with growth hormones or produced with chemicals that we wouldn't allow to be used in this country on animals or grains—that happens every day in every way.

We produce canola in this country and we are prevented from using a chemical on the canola that we would purchase from Canada because that chemical can't be allowed into the country. However, the Canadians can use that chemical on their canola, plant the canola, harvest it, and ship it into Belfield, ND, to put it at a crushing plant, crush it, and put it into our food chain.

My farmers say: Why is that the case? What is going on here?

What is going on here is family farmers have been set up in every single way, set up for failure.

I heard this morning what was being proposed here was socialism. I heard what was being proposed here was being proposed by a bunch of leftists. I heard what was being proposed here was being proposed by people who don't believe in the principles of economics. I sat here and thought, that is novel; an interesting, pithy new political debate calling people socialists or leftists. Or maybe it isn't so new. Maybe it is just a tired, rheumatoid, calcified debate by people who can't think of anything else to say.

Deciding to stand up and help family farmers in a time of crisis and trouble is socialistic? Are you kidding me? It is everything that is right about the instincts of this country.

When part of this country is in trouble, the rest of the country moves to help. I wasn't there, but in the old wagon train days when we populated the western part of this country with wagon trains, one of the first lessons learned was don't move ahead by leaving somebody behind. That is an indelible lesson. The same is true with this country and its economy. Don't move ahead by leaving some behind. When family farmers are in trouble, we have a responsibility to help, not crow about

socialism and leftists. What a bunch of nonsense.

The fact is, the same kind of debate includes this: We are no longer the most efficient in farming. I heard that this morning. We are no longer the most efficient in farming. Nonsense. Show me who is better. Tell me who is better. I am sick and tired of this "blame America first" notion. We lose because we are no longer the most efficient. Tell me who is more efficient anywhere else in the world. Stop blaming this country first for everything.

If we had a free market, if we had open markets, if we had fair competition, if we didn't have policymakers setting up family farmers for failure, and if they paid as much attention to the family economic unit—which apparently has no value to a lot of folks in this country—as we do for the corporate economic unit, maybe we would see some policies that would say to family farmers, you matter in this country's future and we want to keep you.

I do not understand much of this debate, except we face the requirement to do two things, and we need to do them soon. First, we must respond to a farm crisis. That is the purpose of the two bills on the floor of the Senate today. We do it in very different ways.

As my colleague from New York mentioned, the majority party bill doesn't even respond to any part of the disaster; there are no disaster provisions at all. Of course, we have a substantial part of this country now facing a serious drought, so it is a very serious problem. We have very different ways in which we provide income support to family farmers. The majority party follows the Freedom to Farm bill, which of course is a total flop, total failure. It gives payments to people who are not producing. It says: You are not producing; you are not in trouble; you don't have any crop; here's some money. What kind of logic is that? It doesn't make any sense.

We propose a mechanism by which we provide help to people who are producing and are losing money as a result of that production, trying to provide help to shore up that family farm. Our position is simple. When prices hit a valley, we want a bridge across that valley so family farmers can get across that valley. We want to build a bridge, and other people want to blow up the bridge. But if we don't take the first step to provide some crisis and disaster relief and then follow it very quickly in September and October, as I discussed with my colleague from Iowa and others, with a change in the underlying farm bill, we will not have done much for farmers.

Farmers say to me: We very much appreciate some disaster help, but it will not provide the hope that is necessary for me to plant a crop and believe that I can make it. We need a change in the farm bill. We need a safety net that we think has a chance to work for us in the future.

Mr. HARKIN. If the Senator will yield?

Mr. DORGAN. I will be happy to yield.

Mr. HARKIN. First, I thank the Senator from North Dakota for his statement, which is exemplary in its clarity. The arguments the Senator has made, the point he made, this should crystallize clearly what this debate is all about, what is happening, what we are all talking about.

I picked up on one thing the Senator said—that under the Republican's proposal the payments would go out without regard to whether someone was producing anything or not; it could actually go out to absentee landlords, people who are not on the farm, hadn't even planted anything.

As the Senator knows, the AMTA payments that are in their bill go out without regard to whether they are planting anything or not. It is based upon outdated, outmoded provisions of base acreages and proven yields. It goes back as far as 20 years.

I wonder if it occurred to the Senator from North Dakota—I heard a couple of Republicans this morning talk about the failed policies of the past. Yet they are basing their payments on a policy that goes back 20 years, base acreages and proven yields, which any farmer will tell you has no basis in reality as to what is going on in the farm today.

I am curious. Does the Senator have any idea why they would want to make payments based on something that is not even happening out there today? It is not even based on production, not helping the family farmer. I am still a little confused as to why they would suggest that kind of payment mechanism rather than what we are suggesting, which goes out to farmers based on the crops they bring in from the fields.

Mr. DORGAN. The payment mechanism is called an AMTA payment or a transition payment. This would actually enhance the transition payment. The purpose of a transition payment, by its very name, is to transition family farmers out of a farm program. It said: Whatever your little boat is, let it float on whatever marketplace exists out there. The problem is, they declare it a free market when in fact it is a market that is totally stacked against family farmers. So family farmers cannot make it in this kind of system.

This farm bill that provides transition payments is a faulty concept. Yet even for disaster relief, they cling to this same faulty concept of moving some income out largely because, I think, they are worried, if they do not cling to that, somehow they will be seen as retreating from the farm bill. I would say: Retreat as fast as you can from a farm bill that has put us in this position on wheat prices.

You may think it is totally unfair to say wheat prices have anything to do with the farm bill. I don't know. Maybe this is pure coincidence. Maybe it is just some sort of a cruel irony that we

passed a new farm bill and all these prices collapsed. But the point is, I was hearing this morning discussions from people who were standing up to say things are really good on the family farm. I did not look closely at their shoes to see whether they had been on a family farm recently. They looked as if they were wearing pretty good pants and shirts and so on. It occurred to me, if things are so good on the family farm, why are we seeing all these farm auctions and all this misery and all this pain and agony with family farmers losing their lifetime of investment? Why? Because prices have collapsed. Things are not good on the family farm. The current farm bill doesn't work.

People stand here—I guess I can listen to them—they stand here for hours and tell us how wonderful things are and how much income the current farm bill is spreading in rural America. I would say, however much income that is, it does not make up for the radical, total collapse of the grain markets. What has happened is, we have a payment system that says, under Freedom to Farm, when prices are high, you get a payment that you do not need, and when prices are low, you don't get a payment that is sufficient to give you the help you need.

Mr. HARKIN. If the Senator will yield further, the Senator has stated it absolutely correctly. I was interested in the chart there of wheat prices. I ask the Senator if he would put it back up there again, on wheat prices. It just about mirrors corn and soybeans, all the major production crops in the Southwest.

I have an article from the *Wichita Eagle*, from 1995, I believe. It is an article written by the distinguished Senator from Kansas. I think he was a House Member at the time, Senator ROBERTS. So this article says:

Good Bill for Farm Reality, by Pat Roberts.

The first sentence says:

My Freedom to Farm legislation now before Congress is a new agricultural policy for a new century.

"My Freedom to Farm. . . ." That is by PAT ROBERTS, now Senator ROBERTS. I want to read to the Senator from North Dakota this paragraph in there. He says:

Finally, Freedom to Farm enhances the farmer's total economic situation. In fact, the bill results in the highest net farm income over the next seven years of any proposal before Congress.

He says:

The AMTA payment cushions the Nation's agriculture economy from collapse during the 7-year transition process.

I have to ask my friend from South Dakota, are your farmers receiving the highest net farm income that they have received ever in any farm program? Are they receiving the highest farm income? And are your farmers being cushioned by the Freedom to Farm bill?

Mr. DORGAN. I say to the Senator from Iowa, the answer to that question

is, clearly, farm income is collapsing. It is collapsing with grain prices, with commodity prices generally, and family farmers are put in terrible trouble as a result of it. Many of them are facing extinction.

I have here a report from the Economic Policy Institute that describes the almost complete failure of the current farm bill and current strategy. It is written by Robert Scott. It is about an eight-page report. I ask unanimous consent to have that printed in the RECORD following my remarks.

The PRESIDING OFFICER (Ms. COLLINS). Without objection, it is so ordered.

(See Exhibit 1.)

Mr. DORGAN. Let me make one final point, and then I will relinquish the floor. I know my colleagues wish to speak.

This is a map of the United States. This map shows in red the counties of our country that have lost more than 10 percent of their population. It shows where people are moving out, not coming in. We have cities growing in various parts of America, but in the center of our country, in the farm belt of our country, we are being depopulated. People are leaving. My home county, which is about the size of the State of Rhode Island, was 5,000 people when I left, in population. It is now 3,000. The neighboring county, which is about the same size, the size of the State of Rhode Island, had 920 people last year. The fact is, people are moving out. Why? Because family farmers cannot make a living.

We have had other farm policies that have not worked. I mean we have had Democratic and Republican failures. Both parties have failed in many ways in farm policy.

It is just the circumstance today where we have farm prices, in constant dollars, that are at Depression level; and we have a farm program that, like it or not, was offered by the majority party that does not work. It does not work at all in the context of what our needs are to try to save family farmers.

We will have two votes today: One on a disaster package or a price relief package that offers more help, and one that offers less; one that offers some help for disaster relief, and one that does not.

A whole series of differences exist between these proposals. My hope is that at the end of this day the Senate will have agreed to the proposal that Senators DASCHLE, HARKIN, CONRAD, myself, and others have helped draft and that we will be able to send a message of hope to family farmers, to say, we know what is happening, we know we need change. This is the first step. The second step, in September or October, will be to force a fundamental change in our underlying farm policy.

Madam President, I yield the floor.

# EXHIBIT 1

## EXPORTED TO DEATH

### THE FAILURE OF AGRICULTURAL DEREGULATION

(By Robert E. Scott)

In 1996, free market Republicans and budget-cutting Democrats offered farmers a deal: accept a cut in farm subsidies and, in return, the government would promote exports in new trade deals with Latin America and in the World Trade Organization (WTO) and eliminate restrictions on planting decisions. In economic terms, farmers were asked to take on risks heretofore assumed by the government in exchange for deregulation and the promise of increased exports.

This sounded like a good deal to many farmers, especially since exports and prices had been rising for several years. Many farmers and agribusiness interests supported the bill, and it was in keeping with the position of many farm representatives and most members of Congress from farm states who already supported the WTO, the North American Free Trade Agreement (NAFTA), and the extension of fast-track trade negotiating authority, usually in the name of supporting family farmers.

But for family farmers, the Omnibus Farm Bill—and the export-led growth strategy upon which it was based—has been a massive failure. The U.S. farm trade balance declined by more than \$13 billion between 1996 and 1998, and prices have plummeted. August U.S. corn prices fell from \$4.30 per bushel in 1996 to \$1.89, or 56%. Wheat prices fell from \$4.57 per bushel in 1996 to \$2.46 in 1998, a drop of 46%.

The combination of export dependence and deregulation have left increased numbers of family farmers facing extinction. At the same time, U.S. agriculture becomes more centralized in the hands of large farms and national and multinational companies.

Contrary to the Department of Agriculture's rosy predictions, the plight of farmers is likely to get worse under current policies. Expanding supplies are likely to outpace the growth in demand for U.S. farm products; restricted access to foreign markets will continue; and the strong dollar, actively supported by the U.S. Treasury, will further depress the prices farmers receive for their goods.

It is time to end this cruel hoax on the American family farmer. The U.S. government should: reduce the value of the dollar in order to boost farm prices; shift subsidies away from large farms and corporate farmers to independent, family-run farms; increase expenditures for research, development, and infrastructure; and support new uses for farm products.

#### FREEDOM TO FAIL: THE OMNIBUS 1996 FARM BILL

For more than a half-century after the Great Depression, government policies helped create a highly successful U.S. agricultural sector by reducing risks to family farmers. Crop insurance and disaster programs reduced production risk, and a variety of price and income support programs, plus set-aside programs that paid farmers to remove excess land from production, reduced price risks. But the Omnibus 1996 Farm Bill eliminated price and income supports and replaced them with annual income payments, to be phased out, on a fixed declining schedule, over seven years (Chite and Jickling 1999, 2). The 1996 farm bill also eliminated the set-aside program, thus giving farmers, in the words of one commentator, "the freedom to plant what they wanted, when they wanted. . . . With prices rising and global demand soaring, lawmakers and farmers were happy to exchange the bureaucratic rulebook for the Invisible Hand" (Carey 1999).

The rapid growth in U.S. agricultural exports—they more than doubled between 1985 and 1996—encouraged many farmers to buy into the deregulation strategy. But rising exports have not translated into rising incomes. Due to globalization and relentless declines in the real prices of basic farm products, the structure of American agriculture has been transformed, and, as a result, real U.S. farm income has been steady or declining for many years despite the long-run trend of rising exports.

In the two decades from 1978 to 1997, real grain prices were slashed in half. Then, in 1998, prices fell an additional 10–20%, pushing

many family farmers to the brink of bankruptcy.<sup>1</sup> In this environment, only the largest and most capital intensive farms are able to survive and prosper.

#### *Growing concentration throughout the food chain*

There are about 2 million farms in the U.S., but three-quarters of those generate minimal or negative net incomes (USDA 1996). Since farms with less than \$50,000 in gross revenues tend to be primarily part-time or recreational ventures, this section analyzes working farms that generate gross revenues in excess of \$50,000 per year.

Within this group, the number of large farms is growing while small farms are disappearing at a rapid pace, as shown in Table 1. There were 554,000 working farms in the U.S. in 1993. More than 42,000 farms with revenues of less than \$250,000 per year disappeared between 1994 and 1997, a decline of about 10%. Nearly 20,000 farms with revenues in excess of \$250,000 per year were added in this three-year period, an increase of about 17%. Thus, the U.S. experienced a net loss of about 22,000 farms between 1994 and 1997 alone.

TABLE 1.—CHANGES IN THE DISTRIBUTION OF WORKING FARMS, 1993–98

	Size class (annual sales)					Total
	\$1,000,000 or more	\$500,000–\$999,999	\$250,000–\$499,000	\$100,000–249,999	\$50,000–\$99,999	
1993 .....	14,980	30,876	70,982	224,823	212,531	554,192
1997 .....	18,767	34,764	82,984	207,058	187,831	531,404
Percent change .....	25.3%	12.6%	16.9%	–7.9%	–11.6%	–4.1%
Number gained or lost .....	3,788	3,888	12,001	–17,765	–24,700	–22,788
Number lost with gross incomes of \$50,000–250,000 .....						–42,465

Source: USDA, Farm Business Economics Briefing Room, Farm Structure Reading Room, A Close-Up Of Changes in Farm Organization (<http://usda.mannlib.cornell.edu/usda/>).

Corporate influence is growing throughout the U.S. food supply system. While the share of farms owned by individuals and families (operating as sole proprietors) was roughly constant between 1978 and 1992, at about 85% of all farms, the output share of such farms declined during this period from about 62% to 54% (USDA 1996). Corporations absorbed most of this production lost by sole proprietors between 1978 and 1992. Moreover, an increasing number of family farmers are raising crops under contract for big purchasers.

Corporate control is becoming much more concentrated both upstream and downstream

from farmers. On the input side, considerable consolidation is taking place among firms that supply farmers with seeds and chemical inputs. A small number of companies are assuming control of the seed production business, including Monsanto, Dupont, and Novartis (Melcher and Carey 1999, 32).

The story is similar on the distributional side. Grain distribution, for example, which has been tightly controlled by a handful of companies since the 19th century, is becoming even more concentrated. Recently, Cargill has proposed to purchase Continental's grain storage unit, which would result

in a single firm that would control more than one-third of U.S. grain exports (Melcher and Carey 1999, 32).

#### INTERNATIONAL TRADE: THE SIREN'S SONG

The growth in agricultural exports, especially in the first half of 1990s, suggested to small farmers that sales to foreign markets were the key to solving their problems. However, export markets have proven to be more volatile than domestic ones, and globalization has increased the vulnerability of farmers to sudden price swings.

TABLE 2—U.S. AGRICULTURAL TRADE BALANCE WITH INDIVIDUAL COUNTRIES,<sup>1</sup> 1990–98

(In millions of dollars)

Country/region	1990	1996	1998 <sup>2</sup>	Changes:	
				1990–96	1996–98
World .....	17,292	27,994	14,756	10,702	–13,238
Europe .....	5,228	4,835	606	–393	–4,229
NAFTA .....	1,488	1,787	691	299	–1,096
Canada .....	1,587	133	–781	–1,454	–914
Mexico .....	–98	1,654	1,472	1,752	–182
Asia .....	14,147	22,249	14,655	8,102	–7,594
Rest of world .....	–3,572	–877	–1,196	2,695	–319

<sup>1</sup> Census basis; foreign and domestic exports, f.a.s.

<sup>2</sup> Estimated—incomplete data for all countries.

Source: U.S. Department of Commerce, Foreign Trade Highlights, Internet: [http://www.ita.doc.gov/cgi-bin/otea\\_ctr?task=readfile&file=hili](http://www.ita.doc.gov/cgi-bin/otea_ctr?task=readfile&file=hili); and U.S. Department of Agriculture, Foreign Agricultural Trade of the U.S., Internet: <http://www.econ.ag.gov/db/FATUS/>.

#### *Unreliable export markets*

The U.S. agricultural trade balance with the rest of the world increased by almost \$11 billion between 1990 and 1996 (Table 2), then declined by \$13.2 billion between 1996 and 1998. This drop in the volume of exports, which was equal to a 6% decline in farm revenues, was compounded by a sharp decline in domestic commodity prices (discussed below). These two factors combined in 1997 and 1998 to severely depress farm incomes.

Closer examination of regional trends in U.S. farm trade shows that only a limited number of markets were open to U.S. farm products. The U.S. agricultural trade balance with Europe declined sharply between 1990 and 1998, as shown in Table 2. During that time exports to Europe fell by about \$2 billion while U.S. imports increased by \$3 billion (U.S. Department of Commerce 1999; USDA 1999b).

U.S. trade problems with Europe result from continued high subsidies to European farms and European resistance to certain U.S. farm products, such as hormone-treated beef. The Uruguay Round trade agreements were designed, in part, to reduce agricultural subsidies, but European farm spending actu-

ally increased from \$46.0 billion in 1995 (the year before the agreements went into effect) to \$55 billion in 1997.<sup>2</sup> During the same period, U.S. government payments to farmers were \$7 billion, less than 13% of the European level.<sup>3</sup>

Under NAFTA and the earlier U.S.-Canada Free Trade Agreement (which went into effect in 1989), the volume of farm trade has significantly increased throughout the region. However, the net result has been a small but significant decline in the U.S. farm trade surplus with Mexico and Canada. This fact contradicts the U.S. Trade Representative's statement that "NAFTA has been a tremendous success for American agriculture" (Huenemann 1999).

NAFTA has also resulted in a massive shift in the structure of trade and production within North America. U.S. exports of corn and other feed grains (such as sorghum) have increased, but U.S. imports of fruits, vegetables, wheat, barley, and cattle have all increased much more. For example, U.S. grain exports to Canada (primarily corn and other feed grains) increased by 127% between 1990 and 1998, but at the same time U.S. imports of wheat from Canada increased by 249%, from \$79 million in 1990 to \$278 million in

1998. Similarly, U.S. corn exports to Mexico increased by 47% during that period, while cattle and calf imports from Mexico soared by 1,280%.<sup>4</sup>

Since the trade balance with Europe and North America was relatively flat from 1990 to 1996, what was the source of strongly growing demand for U.S. farm products in the 1990s? Answer: the trade balance with Asia increased by \$8 billion (Table 2). Unfortunately for U.S. farmers, though, the demand that pulled in U.S. farm exports to Asia was driven by the same inflationary bubble that ultimately caused the world financial crisis. An unprecedented inflow of short-term capital into Asia stimulated a huge growth in consumption. When this capital flowed out even more quickly in the wake of the Thai financial crisis in July 1997, the U.S. agricultural trade balance with Asia collapsed back to its 1990 level.<sup>5</sup>

Thus, the boom in U.S. agriculture in the early 1990s, which convinced farmers that trade liberalization was the solution to their problems, was built on the false foundation of a speculative bubble. Increased trade has certainly increased the volatility of farm incomes, but it has yet to improve their average level. Globalization has also stacked the

deck against family farmers, since they tend to be under-capitalized and more vulnerable to financial cycles in comparison to large and diversified corporate farms.

#### *Globalization and future farm prices*

The U.S. Department of Agriculture has fueled expectations that global demand for U.S. agricultural products will increase in the future. Its most recent baseline forecasts predict that commodity prices, net farm income, and U.S. exports will all recover rapidly in 2000 and climb steadily thereafter.<sup>6</sup> The USDA has also forecast that U.S. agriculture would benefit from further trade liberalization. For example, it estimated that the proposed Free Trade Agreement of the Americas (FTAA) "that includes the United States would cause annual U.S. farm income (in 1992 dollars) to be \$180 million higher than it otherwise would be" (Raney and Link 1998, 2).

This forecast is particularly surprising because the same report also predicts that the FTAA will reduce the U.S. trade balance. Specifically, it predicts that the FTAA will have a larger impact on U.S. farm imports than on exports (Raney and Link 1998, 2), thus increasing the current U.S. agricultural trade deficit with Latin America. The reported income effects include only "efficiency gains" from the shift of resources from one crop to another, and exclude the losses from declining demand for U.S. farm products and from rising imports resulting from deregulated trade. The report does acknowledge that the reported gains "are very small changes in U.S. farm income" and that:

"... the short-run adjustment costs for some farm households could be large. Hence, the debate on the acceptability of an FTAA may hinge on its distributional consequences rather than on the gains to the entire economy or to the agricultural sector as a whole." (Raney and Link 1998, 38)

The FTAA report further assumes that the economy will be at full employment and that there are no adjustment costs due to changes in trade. Moreover (as the author note), the impacts of agricultural trade deficits and structural change on the farm sector are excluded from the study.

Similar predictions were made about the benefits of NAFTA and the Uruguay Round trade agreements that created the WTO. U.S. farmers were supposed to benefit because they are the world's low-cost producers of many types of grain and livestock. As we have seen, it did not turn out that way.

Are the USDA's predictions that rising exports will cause farm prices to increase in the future likely to be any more accurate now? An economic analysis (see the Appendix for methodological details) of the various forces that influence U.S. commodity prices—namely, (1) U.S. income (in terms of gross domestic product, or GDP), (2) the real (inflation adjusted) U.S. exchange rate, and (3) worldwide average crop yields (which reflect the influence of technology on crop supplies)—shows that U.S. farm prices are unlikely to rise in the future unless U.S. agricultural policies are substantially revised.

Looking at U.S. corn and wheat over the past 26 years, income, somewhat surprisingly, seems to have only a weakly significant effect on price. Furthermore, the changes in U.S. income associated with the Asian crisis have not reduced grain prices, but this result is not strong, statistically speaking.<sup>7</sup>

Exchange rates, on the other hand, have large and statistically significant effects on farm prices. Each 1% increase in the value of the dollar generates a 1.1% decline in the price of corn and a 1.5% decline in the price of wheat. Thus, the 16% appreciation in the

value of the U.S. dollar that occurred between 1995 and 1997 is responsible for 17 to 24 percentage points of the decline in U.S. corn and wheat prices, respectively.<sup>8</sup>

World commodity yields also have a large and significant effect on prices. As yields per acre rise, prices fall. The expansion in world supplies of each commodity depresses its price. While the growth in income has only a weak effect on prices, technology and the growth in world agricultural productivity has a strong, negative impact on prices over time.<sup>9</sup>

These results show why farmers have been misled about the benefits of trade liberalization. Previous rounds of trade negotiations have failed to generate sustained, reliable growth in demand for U.S. farm products. In addition, the diffusion of advanced agricultural technologies (the "green revolution") around the globe has had a depressing effect on U.S. farm prices, despite, or perhaps because of, the benefits generated for farmers and consumers throughout the developing world.

#### TIME FOR A NEW FARM POLICY

There is nothing wrong with expanding trade in agriculture as long as it can be accomplished in ways that benefit U.S. farmers. However, unless the U.S. government is willing to address such fundamental problems as global excess crop supplies and rising currency values, then pushing for freer trade in agriculture will be counterproductive. It is time to stop artificially expanding trade without regard for the consequences.

The Omnibus 1996 Farm Bill was a complete failure. It failed to generate export-led growth, and it transferred substantial risks to farmers with no visible benefits. Given the diffusion of technology to the rest of the world, and because other countries seek to maintain their own food security, agriculture will never be a substantial growth industry for the U.S. However, for the same reason, the U.S. needs a viable farm sector, one that can deliver a high and rising standard of living for family farmers and consumers. A number of policies could help achieve these goals, including:

Carefully managed reductions in the value of the dollar;

The shift of agricultural subsidies away from large farms and corporate farmers to independent, family-run farms;

An increase in expenditures for research and development, and the construction of infrastructure and distribution systems for new, higher-valued products that can be produced with sustainable technologies and that meet consumer demand for high-quality, niche, and specialty foods such as organic products and humanely raised livestock; and

The exploration of other possibilities for stimulating agricultural consumption (such as the conversion of biomass to energy) to build domestic demand for agricultural products.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. CRAIG. I yield to the Senator.

The PRESIDING OFFICER. The Senator from Mississippi.

#### AMENDMENT NO. 1500, AS MODIFIED

Mr. COCHRAN. Madam President, I asked the Senator to yield so I can send a modification of my amendment to the desk. I do send the modification of my amendment to the desk.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment, as modified, is as follows:

Beginning on page 1, line 3, strike all that follows "SEC." to the end of the amendment and insert the following:

\_\_\_\_\_. EMERGENCY AND MARKET LOSS ASSISTANCE.—(a) MARKET LOSS ASSISTANCE.—

(1) IN GENERAL.—The Secretary of Agriculture (referred to in this section as the "Secretary") shall use not more than \$5,544,453,000 of funds of the Commodity Credit Corporation to provide assistance to owners and producers on a farm that are eligible for payments for fiscal year 1999 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(2) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this subsection shall be proportionate to the amount of the contract payment received by the owners and producers for fiscal year 1999 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

(3) TIME FOR PAYMENT.—The assistance made available under this subsection for an eligible owner or producer shall be provided not later than 45 days after the date of enactment of this Act.

(b) SPECIALTY CROPS.—

(1) ASSISTANCE TO CERTAIN PRODUCERS.—The Secretary shall use not more than \$50,000,000 of funds of the Commodity Credit Corporation to provide assistance to producers of fruits and vegetables in a manner determined by the Secretary.

(2) PAYMENTS TO CERTAIN PRODUCERS.—

(A) IN GENERAL.—The Secretary shall use such amounts as are necessary to provide payments to producers of quota peanuts or additional peanuts to partially compensate the producers for continuing low commodity prices, and increasing costs of production, for the 1999 crop year.

(B) AMOUNT.—The amount of a payment made to producers on a farm of quota peanuts or additional peanuts under subparagraph (A) shall be equal to the product obtained by multiplying—

(i) the quantity of quota peanuts or additional peanuts produced or considered produced by the producers under section 155 of the Agricultural Market Transition Act (7 U.S.C. 7271); by

(ii) an amount equal to 5 percent of the loan rate established for quota peanuts or additional peanuts, respectively, under section 155 of that Act.

(3) CONDITION ON PAYMENT OF SALARIES AND EXPENSES.—None of the funds appropriated or otherwise made available by this Act or any other Act may be used to pay the salaries and expenses of personnel of the Department of Agriculture to carry out or enforce section 156(f) of the Agricultural Market Transition Act (7 U.S.C. 7272(f)) through fiscal year 2001, if the Federal budget is determined by the Office of Management and Budget to be in surplus for fiscal year 2000.

(c) LIMITATION ON MARKETING LOAN GAINS AND LOAN DEFICIENCY PAYMENTS.—Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) for 1 or more contract commodities and oilseeds during the 1999 crop year may not exceed \$150,000.

(d) UPLAND COTTON PRICE COMPETITIVENESS.—

(1) IN GENERAL.—Section 136(a) of the Agricultural Market Transition Act (7 U.S.C. 7236(a)) is amended—

(A) in paragraph (1), by striking "or cash payments" and inserting "or cash payments, at the option of the recipient,";

(B) by striking "3 cents per pound" each place it appears and inserting "1.25 cents per pound";

(C) in the first sentence of paragraph (3)(A), by striking "owned by the Commodity Credit Corporation in such manner, and at such price levels, as the Secretary determines will best effectuate the purposes of cotton user marketing certificates" and inserting "owned by the Commodity Credit Corporation or pledged to the Commodity Credit Corporation as collateral for a loan in such manner, and at such price levels, as the Secretary determines will best effectuate the purposes of cotton user marketing certificates, including enhancing the competitiveness and marketability of United States cotton"; and

(D) by striking paragraph (4).

(2) ENSURING THE AVAILABILITY OF UPLAND COTTON.—Section 136(b) of the Agricultural Market Transition Act (7 U.S.C. 7236(b)) is amended—

(A) by striking paragraph (1) and inserting the following:

"(1) ESTABLISHMENT.—

"(A) IN GENERAL.—The President shall carry out an import quota program during the period ending July 31, 2003, as provided in this subsection.

"(B) PROGRAM REQUIREMENTS.—Except as provided in subparagraph (C), whenever the Secretary determines and announces that for any consecutive 4-week period, the Friday through Thursday average price quotation for the lowest-priced United States growth, as quoted for Middling (M) 1 $\frac{3}{32}$ -inch cotton, delivered C.I.F. Northern Europe, adjusted for the value of any certificate issued under subsection (a), exceeds the Northern Europe price by more than 1.25 cents per pound, there shall immediately be in effect a special import quota.

"(C) TIGHT DOMESTIC SUPPLY.—During any month for which the Secretary estimates the season-ending United States upland cotton stocks-to-use ratio, as determined under subparagraph (D), to be below 16 percent, the Secretary, in making the determination under subparagraph (B), shall not adjust the Friday through Thursday average price quotation for the lowest-priced United States growth, as quoted for Middling (M) 1 $\frac{3}{32}$ -inch cotton, delivered C.I.F. Northern Europe, for the value of any certificates issued under subsection (a).

"(D) SEASON-ENDING UNITED STATES STOCKS-TO-USE RATIO.—For the purposes of making estimates under subparagraph (C), the Secretary shall, on a monthly basis, estimate and report the season-ending United States upland cotton stocks-to-use ratio, excluding projected raw cotton imports but including the quantity of raw cotton that has been imported into the United States during the marketing year."; and

(B) by adding at the end the following:

"(7) LIMITATION.—The quantity of cotton entered into the United States during any marketing year under the special import quota established under this subsection may not exceed the equivalent of 5 week's consumption of upland cotton by domestic mills at the seasonally adjusted average rate of the 3 months immediately preceding the first special import quota established in any marketing year.".

(3) REMOVAL OF SUSPENSION OF MARKETING CERTIFICATE AUTHORITY.—Section 171(b)(1) of the Agricultural Market Transition Act (7 U.S.C. 7301(b)(1)) is amended—

(A) by striking subparagraph (G); and

(B) by redesignating subparagraphs (H) through (L) as subparagraphs (G) through (K), respectively.

(4) REDEMPTION OF MARKETING CERTIFICATES.—Section 115 of the Agricultural Act of 1949 (7 U.S.C. 1445k) is amended—

(A) in subsection (a)—

(i) by striking "rice (other than negotiable marketing certificates for upland cotton or rice)" and inserting "rice, including the issuance of negotiable marketing certificates for upland cotton or rice";

(ii) in paragraph (1), by striking "and" at the end;

(iii) in paragraph (2), by striking the period at the end and inserting "and"; and

(iv) by adding at the end the following:

"(3) redeem negotiable marketing certificates for cash under such terms and conditions as are established by the Secretary."; and

(B) in the second sentence of subsection (c), by striking "export enhancement program or the marketing promotion program established under the Agricultural Trade Act of 1978" and inserting "market access program or the export enhancement program established under sections 203 and 301 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623, 5651)".

(e) OILSEED PAYMENTS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall use not less than \$475,000,000 of funds of the Commodity Credit Corporation to make payments to producers of the 1999 crop of oilseeds that are eligible to obtain a marketing assistance loan under section 131 of the Agricultural Market Transition Act (7 U.S.C. 7231).

(2) COMPUTATION.—A payment to producers on a farm under this subsection shall be computed by multiplying—

(A) a payment rate determined by the Secretary; by

(B) the quantity of oilseeds that the producers on the farm are eligible to place under loan under section 131 of that Act.

(3) LIMITATION.—Payments made under this subsection shall be considered to be contract payments for the purposes of section 1001(1) of the Food Security Act of 1985 (7 U.S.C. 1308(1)).

(f) ASSISTANCE TO LIVESTOCK AND DAIRY PRODUCERS.—The Secretary shall use \$325,000,000 of funds of the Commodity Credit Corporation to provide assistance to livestock and dairy producers in a manner determined by the Secretary.

(g) TOBACCO.—The Secretary shall use \$328,000,000 of funds of the Commodity Credit Corporation to make distributions to tobacco growers in accordance with the formulas established under the National Tobacco Grower Settlement Trust.

(h) SENSE OF CONGRESS REGARDING FAST-TRACK AUTHORITY AND FUTURE WORLD TRADE ORGANIZATION NEGOTIATIONS.—It is the sense of Congress that—

(1) the President should make a formal request for appropriate fast-track authority for future United States trade negotiations;

(2) regarding future World Trade Organization negotiations—

(A) rules for trade in agricultural commodities should be strengthened and trade-distorting import and export practices should be eliminated or substantially reduced;

(B) the rules of the World Trade Organization should be strengthened regarding the practices or policies of a foreign government that unreasonably—

(i) restrict market access for products of new technologies, including products of biotechnology; or

(ii) delay or preclude implementation of a report of a dispute panel of the World Trade Organization; and

(C) negotiations within the World Trade Organization should be structured so as to provide the maximum leverage possible to ensure the successful conclusion of negotiations on agricultural products;

(3) the President should—

(A) conduct a comprehensive evaluation of all existing export and food aid programs, including—

(i) the export credit guarantee program established under section 202 of the Agricultural Trade Act of 1978 (7 U.S.C. 5622);

(ii) the market access program established under section 203 of that Act (7 U.S.C. 5623);

(iii) the export enhancement program established under section 301 of that Act (7 U.S.C. 5651);

(iv) the foreign market development cooperator program established under section 702 of that Act (7 U.S.C. 5722); and

(v) programs established under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et seq.); and

(B) transmit to Congress—

(i) the results of the evaluation under subparagraph (A); and

(ii) recommendations on maximizing the effectiveness of the programs described in subparagraph (A); and

(4) the Secretary should carry out a purchase and donation or concessional sales initiative in each of fiscal years 1999 and 2000 to promote the export of additional quantities of soybeans, beef, pork, poultry, and products of such commodities (including soybean meal, soybean oil, textured vegetable protein, and soy protein concentrates and isolates) using programs established under—

(A) the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.);

(B) section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431);

(C) titles I and II of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1701 et seq.); and

(D) the Food for Progress Act of 1985 (7 U.S.C. 1736o).

(i) EMERGENCY REQUIREMENT.—The entire amount necessary to carry out this section and the amendments made by this section shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

Mr. COCHRAN. I thank the Senator.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. CRAIG. Thank you, Madam President.

For the last 20 minutes, I have listened to my colleague from North Dakota with some degree of clarity discuss the issue that is true in his State today and true in most areas of American agriculture. I will in no way attempt to modify or suggest any different kind of impact on the family farm, but I suggest that most family farms in Idaho today are multimillion-dollar operations, and we should not attempt to invoke the image of a small farm, a husband and wife, struggling to stay alive.

A husband and wife and family team in production agriculture today are struggling to stay alive in an industry that recognizes their investment in the hundreds of thousands, if not millions, of dollars.

There is no question that the character of American agriculture has changed. While some are still caught



up in the rhetoric of the family farm—and there are still some small farming units—most of those who farm small units today recognized some years ago that their life could not be made there unless they supplemented it with outside income. That, of course, has been the character of the change in production agriculture for the last good number of decades—true in Idaho, true in North Dakota, true in Mississippi, true in almost every other agricultural State in our Nation.

How do I know that? That is what the statistics show.

But in 1965 and 1966, as a young person, I was given a unique opportunity to travel through our Nation on behalf of agriculture as a national officer of FFA, Future Farmers of America. I was in almost every agricultural State in this Nation speaking to young farmers and young ranchers.

I happened to have had the privilege of staying on many of those farms and ranches. For the course of 1 year, I saw American agriculture like few are given the opportunity to see it. I must tell you, it was an exciting time because I met wonderful people, I saw a unique lifestyle that is true in many instances today, and I did see and feel the heartland of America as few get the opportunity to experience.

While I was traveling, I gave many speeches. The speech oftentimes started like this: That a family farmer or a farmer in American agriculture today produces enough for him or herself and 30 other people. That was 1965.

Today, if I were that young FFA officer traveling the Nation, my speech would have to change, because I would say that that farmer or rancher produces enough for him or herself and 170 to 180 additional Americans.

Has the family unit changed? Oh, very significantly. In almost all instances, it is four or five times larger than it was in 1965 and 1966. But it is phenomenally more efficient and much more productive. Because of those efficiencies, instituted by new technology or biogenetics, we have seen great productivity. So it isn't just a measurement of crops produced against prices for those crops; it is a combination of the whole.

I think it is very important that we portray American agriculture today for what it is and for what it asks from us.

In 1965 and 1966, it was not just Government and politicians that suggested farm policy in this country ought to change; it was American agriculture itself that came to us in 1965 and 1966 and said: Get Government off our backs. American agriculture has changed. We don't want to farm to a program. We want to farm to a market. We don't want to be restricted in limited acreages. We don't want to be restricted in limited markets. We want the ability to be flexible to move with the market.

Congress listened. Out of that listening came the Federal Agriculture Improvement and Reform Act of 1996,

which is now called Freedom to Farm. The Senator from North Dakota said it is a failure. The Senator from North Dakota is wrong. It has met every objective it was intended to meet—expanded markets, expanded production, with flexibility for the individual producer. All of those goals that were a part of Freedom to Farm have been met today.

Today, before the Ag Committee, we heard about a comprehensive study that said agricultural income in the decade of the 1990s will surpass any other decade, at a time when the number of farmers has gone down and productivity has gone up dramatically. That is all part of the good news of the story.

So it is not an abject failure, unless you did not vote for it because you did not believe in it in the first place, and you really do want Government controls, and you really do want a Government plan to which farmers farm instead of the market. My guess is, that is part of what the Senator from North Dakota was talking about. That is not what I am here to talk about today. That is where we differ substantially.

But we do not differ on the other issue. That is the issue of the current commodity price crisis in production agriculture across our Nation and across the world. That is very real today. Many of our commodities are finding their price in the marketplace at or below Depression-era prices. That in itself is a crisis, and that we should respond to.

Last year, we did not cast a deaf ear on production agriculture in this country. The taxpayers of this country, recognizing the plight the American producer in agriculture was in, gave handsomely. Billions of dollars flowed into production agriculture, and directly through to the farmer, and to the rancher in some instances. As a result of that, farm income was substantially buoyed. That will happen again this year. But it will happen in the context of Freedom to Farm.

We are not going to go in and start changing long-term farm policy until the Senator from North Dakota and the Senator from Idaho can agree that Freedom to Farm was an abject failure—when, in fact, I do not believe it was; and I think the Senator from North Dakota would be hard pressed, looking at the facts and the intent, to argue that it was either.

So we are here today not to talk about a long-term policy change but to talk about the current crisis. It is a crisis that is not just taking place within this country; it is a commodity crisis that is worldwide.

Let's talk about 1996, 1997, and part of 1998. That is when we crafted a new farm bill. That is when commodity prices were higher than they had ever been around the world, and we drained all of our reserves, and we were told never again would we see low prices. But there were some things missing from that "never again" argument. We

didn't anticipate a general downturn in world economies, especially the Asian economy, an Asian economy that had increased its overall import of agricultural foodstuffs from the United States by nearly 27 percent in the period of a 5- to 6-year span. Those imports are down by 11 percent today. Those are the facts. Is that a direct result of Freedom to Farm policy failing? I suggest that it isn't. I don't think the Senator from North Dakota would disagree.

Now, what has that caused? It has plummeted commodity prices in our country. We agree that there is a current farm crisis, and we agree that that crisis could extend itself for some time to come. We agree that Congress ought to respond to it so we don't lose those production units and the families and the human side of it that is so critical across our country and to smalltown Idaho just as much as smalltown North Dakota.

The difference, at least in the current situation of the moment, is the heavy hand of politics, tragically enough. Last year we were able to agree, and we worked at crafting a bipartisan package. This morning, while we were there in the Ag Committee holding a hearing with the Secretary, all of a sudden the committee room emptied. I wondered where they had gone. The chairman said: Well, they have gone out to hold a press conference with the Vice President. The heavy hand of Presidential politics now tragically plays at this issue. It shouldn't have to be that way and, in the end, it won't be that way, if we are to craft the right kind of policy to deal with a crisis that isn't Democrat or isn't Republican, but it is at the heartland of America's fundamental production unit, American agriculture.

The chairman of the Ag Subcommittee of Appropriations has struggled mightily over the course of the last several weeks to try to see if we couldn't arrive at a package that would respond. Our goal is not to add hundreds of billions of dollars to programs that don't have any sense of immediacy or any sense of getting money directly through to the farmer. Our bill is substantially smaller in that regard than the bill offered by the minority leader of the Senate. But our bill, when it comes to money to production units, money to farmers, and money to ranchers, is there. It is real and it is the same dollar amount.

I am willing to talk farm policy, and I am willing to debate it, but not in the short-term and not in the immediate sense of an emergency, because it is awfully hard to argue that the emergency at hand was produced by Freedom to Farm.

Let me read briefly from a report called "Record and Outlook," put together by a very responsible group called the Sparks Company out of McLean, VA. This report is called "Freedom to Farm, Record and Outlook," prepared for the Coalition for

Competitive Food in the Agricultural System.

Here is their analysis. Most people say that the Sparks Company is widely recognized as reputable and is non-partisan in its analyses of those issues that it examines.

Here is what they say:

The recent slowing of the farm economy primarily reflects two major factors: Farmers response worldwide to mid-decade record high prices. . .

In other words, what they are saying was those prices in 1996 and 1997 sent a message to American agriculture: Gear up your production. They sent a message to world agriculture: Gear up your production. Consumption and prices are here to stay. And that is what happened, and worldwide production is at an all-time record. They go on:

. . . and the downturn in the economic and financial health of one region of the world, Asia, which also is the largest market for U.S. farm and food products.

I have already mentioned the tremendous ramp up in the increase in purchases of agricultural foodstuffs in Asia and now the dramatic decline.

The study concludes that both the high record prices of 1995, 1996, and part of 1997, and the more recent readjustments, are the result of "ordinary market developments and reactions, with some unusually good weather patterns helping boost output, while the economic downturn in Asia and elsewhere has weakened the prices. As a result, the current market downturn reflects temporary, rather than fundamental market changes."

Temporary problems, but a real crisis. Permanent problems? They say not so. So if you are going to change permanent policy, you ought to be able to determine that there is first a permanent problem. That is what I think the Senator from North Dakota has failed to argue, while he and I would agree on the sense of immediacy to the current crisis.

The report goes on to talk about modest shortfalls in harvests and yields during 1993 through 1995, during the time when these markets were ramping up. Output fell below the 10-year trend and stocks plummeted. In other words, storage and surplus. Strong world economic growth then stimulated demand and record high grain and oilseed prices; world planting and harvests above trends in the United States and worldwide during 1996 through 1998; also good weather and high grain and oilseed yields, especially in the United States, rapidly rebuilt depleted stocks in spite of significantly above-trend consumption during that period. In other words, we were pushing production, but the world was consuming. Significant increases in non-U.S. production competing for growing world markets largely in response to record high prices of the mid-1990s. For example, all of the very considerable above-trend wheat production has been outside the United States, while the share of increased production

outside the United States has been 44 percent for corn and 35 percent for soybeans.

Lastly, they point out that the downturn in economic and financial health of key world markets, especially Asia, the largest U.S. export market, has increased pressure on U.S. prices, although world grain and oilseed use has been well above trend during the last 3 years.

What is the point of those comments? The point is that no matter how we would have designed the policy, we were working against a world situation, both economically and climatically, and productionwise that would have been very difficult to foresee. We did not foresee it, nor was it debated in 1995 and 1996, as we were crafting Freedom to Farm. We didn't recognize it in 1997. Toward the tail end of 1997, it became an indicator of problems to come. By 1998, it was very clear, and Congress responded. It is now 1999 and Congress will respond again, with a multibillion-dollar direct aid package to production agriculture.

I said before the Ag Committee today and before Secretary Glickman that I am willing, starting next year, to review Freedom to Farm. I don't think production agriculture is going to walk away from the freedoms and the flexibility it has. Is there a way of crafting a safety net or something that causes some adjustments over time? It is possible. I would not suggest that it isn't. But the rest of the story of Freedom to Farm that we have not successfully matched yet, but something that Congress, Democrat and Republican, agreed with and promised production agriculture with the passage of Freedom to Farm in 1996, were two other elements.

One was a risk management practice, better known as crop insurance. We have placed that money in the budget, but we can't yet agree on a package that is bipartisan in character, that meets the regional differences within our country, certainly the regional differences between the Midwest and Idaho or the Midwest and the South or the Northeast. If we had had a comprehensive risk management crop insurance package today, the very real drought that Washington, DC, and States east of the Alleghenies are in at this moment would have been dramatically offset if farmers had had that kind of risk management tool. But we have not yet agreed as to how to make it flexible and diversified in a way that meets those kinds of needs of specialty crops and the uniqueness of agriculture across this country. So a promise made; we have not fulfilled it yet.

The other area, of course, is the expansion of world trade. The Senator from North Dakota is right. We are not trading in world markets like we should. Let me tell you, Bill Clinton and company have been asleep at the switch now for many years. Do they have a division down at the Department of State that goes out and ag-

gressively markets on a daily basis American agricultural surpluses? No, they don't. We offered them and provided them the tools to move aggressively in the markets. There was a bit of a yawn down at the Department of Agriculture, and that yawn has continued for the last good number of years. So point the finger, I am; but I am pointing the finger at the very agencies of our Government that are responsible for breaking down those political barriers between a consuming market somewhere else in the world and a production unit here in the United States. We have not done that well, and we should. We promised it, in part.

Last year, I and Senators from the other side of the aisle stood together and were able to knock down the sanctions against Pakistan and India to move markets. This year, at our urging—and I applaud the President; now that I have criticized him, let me applaud him for bringing forth an Executive order that said that foodstuffs and medical supplies would not be subject to sanction. That was 3 months ago, and 3 months later, in the time of an agriculture crisis, they are just getting the regulations out.

Well, now, give me a break, Mr. President. You mean your bureaucracy takes 3 months to write a regulation that says farmers can supply a world market that they were denied? There is a lot of blame to be shared here, but, Mr. Vice President, you were on the Hill today talking about a farm crisis. Last I checked, the Department of Agriculture and State Department were under your watch, and for 3 long months you have sat and watched as the bureaucracy ground out regulations that allow access to world markets. I am sorry, Mr. President and Mr. Vice President, there is blame to be shared all around.

Let me shift just a little of it to you, Mr. Vice President, and you, Mr. President. The spirit is in the right place, but couldn't you have cut to the chase? Couldn't we be moving grains, rice, and food commodities, and lentils into mid-Asian and the Central Eastern markets today like we should be? Well, we will be by fall and into the winter, thanks to a policy you put in place, Mr. President. But 3 months later, we are finally beginning to see its regulations. Late is better than none at all. I will accept that and we will move on. But, again, open the world markets.

It is political barriers that are out there, not market barriers. Those are political barriers that only governments can knock down. When it is nation-to-nation, our Government at the Federal level has to be responsible, and we fail to be.

My credit goes to the chairman of our Senate Agriculture Committee who, for several years, has been pushing legislation to pull down those barriers. Last year, he offered it on the floor. It passed. This year, it will pass this Senate again, and I hope it passes the Congress. I hope the President can

deal with it, and I hope he will sign it. Those are long-term provisions, but once in place, they are a legitimate and responsible role for Government to participate in.

Manipulating the market, shaping the price? Absolutely not. We have to let the marketplace work its will. But it is very important that Government play the role it should play, and that is in dealing with the political barriers of trade, most assuredly in times of need, providing some safety nets. We did that last year, and we are going to do it again this year. I hope in the end we can craft a crop insurance plan that will provide the risk management tools that we have said to production agriculture we would provide.

Well, those are the circumstances in which we find ourselves today. In the course of the next few hours, the Senate will have an opportunity to vote on two very different measures, in the sense of a total package. They are very similar in the dollars and cents that go directly to production agriculture. I hope that, in the end, out of this can come a bipartisan package. There is a great deal in the DASCHLE-HARKIN package that may be OK at some point down the road; but my guess is not without hearings held and no understanding of some broad policy changes that are at this moment not necessarily justifiable in this time of dealing with crises, both a price crisis and the situation that deals with weather disaster.

Those are the circumstances as I see it. I hope my colleagues will vote with the chairman of the Agriculture Appropriations Subcommittee in supporting his amendment and not allowing it to be tabled, so we can get at a clear vote and finalize this work today. If that can't be done, I hope my colleagues on the other side of the aisle will join with us in seeing if we can make some adjustments in a final package. But I believe that the package offered up by the chairman is certainly in good faith and responds in an immediate way to need, and that the money can move directly to production agriculture, sending a very critical message to the families and the men and women engaged in agriculture in our economy that we care and we understand the importance of them and what they do for all of us as Americans, and Americans are responding by a substantial ag package of nearly \$7 billion.

I yield the floor.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Madam President, a lot of us have listened quite intently, and some of us not very intently, to the debate. Very simply, cutting to the chase, the question before us is whether to adopt an agriculture emergency assistance bill in the amount of roughly \$10 billion—\$10.6 billion, I think—that is proposed by Members essentially on this side of the aisle, or, in the alternative, a bill that is about half that much.

The main difference between the two is not only the amount, but also the failure, in my judgment, of the bill on the other side to provide drought assistance. It is emergency drought assistance. We have all watched on television in the last several days how dry so much of America is and how farmers' crops are not growing and are not going to be harvested. In some parts of the country, it is not only drought; paradoxically, strangely, it is flooding. There is too much moisture in some parts of the country, making it impossible for farmers to grow a productive crop.

Compounding that, there is a very low price. According to the wheat producers and barley producers, livestock, hogs—you name it—the prices are just rock bottom, and they have been very low for a long time. So it is a combination of very low prices, historically low prices, for some commodities, and the weather.

The outlook is not good. The outlook for increased prices in the basic commodities we are talking about, as well as livestock, is grim. Nobody can project or foresee a solid, sound reason why prices necessarily are going to go up in the next several years.

What conditions are going to cause prices to go up? What is going to change or be different? To be truthful, there isn't much we can see that is going to be much different. Producers are going to still produce. Other countries, particularly emerging and developing countries, are going to try to produce more agricultural products than they now are producing. On top of that, there is the phenomenon of a growing concentration of economic power in the beef packing industry, or in the grain trade, where the middlemen, if you will—that is, the traders, the packing plants, and retailers—are making money but the producers are not. That is not going to change in the foreseeable future. At least I don't see anything that will cause that change.

So, essentially, we are here today because farmers are getting deeper and deeper and deeper in trouble. Their prices are continually falling. I hope my colleagues took a good look at the chart presented by my good friend, the Senator from North Dakota, Mr. DORGAN—the one that showed in current dollars what the price of wheat was in 1930, 1940, 1950, and 1960. The current price of wheat in today's dollars is roughly \$2 a bushel. Back in 1930, in current dollars, adjusted for inflation, it was about \$7.50 a bushel. In 1940 and in 1950—I have forgotten the chart, but I think it was as high as maybe \$13 or \$14 a bushel.

You can see how the price generally has declined over the years for farmers, and it has declined greatly. This is not just a minor drop in price. It is a precipitous drop in price. It is steady. It is constant.

As I said, I can't see much that is going to cause a significant difference unless we in the Congress and in the

country make the changes, which I will get to in a few minutes.

On the other hand, the prices that farmers pay for their products over the same period of time have risen dramatically—whether it is the prices the farmers pay for fertilizer, for gasoline, for tractors or combines, for fencing, or for labor costs. You name it.

All of the costs that farmers pay have continually risen to a very steep trend over the past 20 or 30 years since the Depression, and at the same time prices that farmers get for their products generally have fallen, although there was a period several years ago where prices were high—\$5, \$6, or \$7 a bushel. That was about 5, 6, 7, or 8 years ago, as I recall. But generally the trend is down.

Why has this happened? It has happened for a couple of reasons: One, many more countries are producing products—wheat, barley, and so on and so forth. Second, as I mentioned, the concentration of economic power in the retail industry, in the wholesale industry, and in the packing industry, but not a concentration of power for the farmers.

On top of that, recently there is the Asian downturn where the Asian economies a couple of years ago began to deteriorate. Their purchasing power dropped dramatically. They devalued their currencies in order to try to prop themselves up. As a consequence, American exports to Asia fell dramatically—in combination with the low demand, particularly from Asia, and the higher supply, particularly in countries producing and, on top of that, the drought and too much rain in some parts of the country.

So we are here today to try to decide what the size of the emergency assistance should be.

I submit that we should not only make the direct payments to farmers but we also should accommodate the drought. We should accommodate the farm disaster that has beset the farmers in addition to the economic disaster.

That is just a short-term, immediate solution. We should get on it right away, and we should get it passed this week, lock, stock, and barrel—all of it passed this week to give farmers a little bit of hope.

Then, to begin to give farmers a little more hope for the future, we have to pass a modification to the so-called Freedom to Farm bill. We have to pass a new farm bill.

I remember when Freedom to Farm was debated. Most farmers I talked to in my home State of Montana were very leery and very nervous about this Freedom to Farm bill. A lot of them—I daresay a majority of them—went along with it because at that time prices were a little higher. As I recall, it was about one-plus a bushel. The so-called AMTA payments were a little higher. There was more money in farmers' pockets. But farmers knew—the ones I talked to, and I talked to a

whole bunch of them—that we would get on with it then, but on down the road there was going to be a real problem, and probably times were not going to be nearly as good as they were then. But we kind of swept that problem under the rug and thought we would cross that bridge when we got there.

We are there. It has happened. We are in trouble. Farmers know it. So let's just get this thing passed. But we very quickly have to begin to address the peaks and the valleys in the prices that farmers face.

I would like to remind folks in the cities that farmers are in a much different situation from most any other business person because farmers cannot control their price. The price is determined by the vagaries of the market, the vagaries of weather, and it is international; it is an international price in most cases. They have virtually no control over their prices. Take any other businessperson. He or she can raise or lower their prices to sell to retailers or to sell to consumers. There are ways to adjust to help maximize their return.

Moreover, farmers cannot control their costs. They have to pay what that farm implement dealer charges. They have to pay what that fertilizer costs. They just have to pay that price. They have virtually no control over their costs. Any other businessperson has a lot of control over his or her costs—either by downsizing, laying a few people off here or there, making other adjustments, or cutbacks. Big businesses can certainly make big adjustments to costs, and have, with major downsizing. The farmer can't do that. The farmer has no control over costs and virtually no control over prices.

That is why we have to have some kind of legislation that evens out the peaks and valleys and gives farmers a modicum of a safety net. We need that desperately, and, for the sake of farmers, we need to get that passed.

One final point: This is a subject for a later day. But we need a level international playing field. We do not have it today. I give a lot of credit to our USTR, to the administration, and to others who have worked to try to make it more level. They have worked harder, if the truth be known, than other administrations have. We are nowhere close to the position where we have to be.

I will mention two subjects, and then I will close. One is export subsidies. We need an end to world export subsidies for agriculture. They have to be eliminated.

Today the European Union accounts for about 86 percent of all the world's agricultural export subsidies. We Americans account for about 1 to 2 percent.

Europeans have 60 times the agricultural export subsidies that we have. That is a very great distortion of the market. Agricultural export subsidies are paid to European farmers if they export. What is the farmer going to do

in Europe? He exports. He gets a subsidy for it—and a big, healthy subsidy for it. That is to say nothing about all the internal price supports the Europeans have that are much greater than ours.

The ministerial in Seattle begins at the end of this year. As we approach the next WTO, one of our main objectives, one of our main goals should be the total elimination of agricultural export subsidies. That is going to help. That is going to help reduce the worldwide supply just a little bit. And every little bit helps. I have a lot of other ideas about what we can do as well, but that is one that is very critical.

Point No. 2: In general, on the WTO, there are a lot of things we have to do to level the playing field so that Americans are no longer suckers and taken for granted to the degree that we have been.

But to sum it all up, let's pass this agriculture emergency aid bill immediately. Let's pass the bill that makes sense, the one that helps farmers. And that is the one that not only puts some money back into farmers' pockets for the short term but also addresses the drought, which the other bill does not address. It addresses the disaster caused in some parts of the country by excessive flooding and rain.

Really, what is happening is that the farmer is in intensive care. The farmer needs an oxygen mask, and the farmer needs a blood transfusion. That is where we are. We have to give the farmer the oxygen mask. We have to give the farmer the blood transfusion so that the farmer is no longer in intensive care.

That oxygen mask and that blood transfusion is this bill. It is the bill that is sponsored by the Democratic leader and the Senator from Iowa. That is the bill that is going to take care to get that patient back out of intensive care. The next step, which we have to take very soon, is to get that patient rehabilitated and get that patient some physical therapy. It will take some other procedures in the hospital so that the farmer can compete in the real world as a real person again. I hope we get to that point very quickly.

I yield the floor.

Mr. ROCKEFELLER. Madam President, I urge my colleagues, on both sides of the aisle, to vote for the Harkin-Daschle farm crisis aid amendment. This legislation is the desperately needed response for many thousands of American farmers and their families whose survival is threatened. This is precisely the situation that obligates us to use our authority to enact emergency spending, and to provide enough funding to save our farmers and their livelihoods. This is a crisis that demands the Senate's immediate approval of emergency spending, and the Harkin-Daschle amendment is the step we must take now to respond to a genuine and severe crisis.

My plea is for the farmers I represent in West Virginia. Yesterday, the Presi-

dent declared all 55 counties of West Virginia a federal drought disaster area, along with over 30 counties from neighboring states. In West Virginia, the relentless drought has dried up our crops, drained our streams, and brought death to livestock and despair to thousands of farmers suffering these horrendous losses.

Yesterday, with the senior Senator of West Virginia and Agricultural Secretary Glickman, I visited the farm of Terry Dunn in Charles Town, West Virginia. We witnessed the tragic effects of the drought on his farm, and sat down with farmers across the state to hear their similar stories. The drought has devastated agricultural production in West Virginia in a way that even old-time farmers have never seen.

Because of the desperate situation, Senator BYRD has once again stepped in to ensure that help will be on the way. Through his dogged efforts working with the sponsors of the Harkin-Daschle amendment, there are various sources of funds that will be available for West Virginia's farmers—and, I emphasize this point, funds that will also be available to farmers in similar straits in Kentucky, Ohio, Maryland, Virginia, and Pennsylvania. There is nothing partisan or parochial about voting for this amendment and the drought assistance included. All of us have a responsibility to respond to crises like the one created by the drought.

I share the feelings of my colleagues on both sides of the aisle who have risen to extol the virtues of family farmers and rural America. I truly believe that farmers may be the hardest working people—day in, day out, morning, noon and night—in all the land.

Now, these farmers are being hurt by acts of nature totally beyond their control. We have a choice to make today that will decide just how willing we are to help our farmers when they are in such dire need. We can decide that we owe it to our farmers to stand with them in this time of severe crisis, and adopt the Harkin-Daschle amendment that will truly address their needs. Or we can settle for the far smaller level of funding provided by the distinguished chairman of the Agriculture Appropriations Subcommittee, Senator COCHRAN, that won't be nearly enough help.

For anyone who represents a drought-stricken state, there really is no choice. The Harkin-Daschle amendment is the humane and right thing to do. And for anyone who represents states and counties that have received disaster assistance after a tornado or hurricane or sweeping fires have struck, or following a crippling flood, this is the time to extend the same kind of immediate help to a different but very real disaster.

We have heard for some time that rural America is in crisis. I doubt that many people in this body think of West Virginia when agriculture and farming are the topic. But in fact, in West Virginia thousands of farmers and their

families labor hard to grow a variety of crops and raise livestock. They are farmers who have rarely asked for help from anyone, but today they are facing the crisis of a lifetime, and they do not want to give up the life and work they love.

I am asking my colleagues to vote for the Harkin-Daschle amendment because it will help the West Virginia farmers who have been the victim of two years of historic drought conditions that have ravaged their fields, orchards, and herds. Some of these families have run the same farms since before West Virginia was admitted to the union, and now they are in danger of losing everything.

Farmers in my state and many others need the Senate to act and to provide a level of assistance that matches the magnitude of the crisis. We have the means to do that today—in the form of the Harkin-Daschle amendment. We have the authority to do that today—by voting for emergency funding in a time of real crisis. We have the obligation to respond, not along partisan lines and not only if we represent farmers in need—but because a disaster has struck that requires the entire Senate to respond.

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. DASCHLE. Madam President, I commend the distinguished Senator from Montana for his powerful statement and for the empathy that he again demonstrates for the people in rural America. He has been an extraordinary leader on the agriculture issue, as well as on so many issues relating to the farmer over the years. Again, his eloquence this afternoon clearly illustrates the degree to which he understands their problem and the degree to which he is committed to solving it.

There is a silent death in rural America today—a death that is pervasive, a death that increasingly is affecting not only farmers but people who live in rural America, whether it is on the farm or in the town. Thousands upon thousands of family farmers and small businessmen and people who run the schools and run the towns are being forced to change their lives—are being forced to leave their existence in rural America in large measure because it isn't economically viable.

The situation we have all called attention to over the course of the last 24 months has worsened. Just in the last 12 months, more than 1,900 family farmers have left the farm in South Dakota alone.

So there can be no question, this situation is as grave as anything we will face in rural America at any time in the foreseeable future. The question is, what should we do about it? Our response is the amendment that Senator HARKIN and I have offered. I will have more of an opportunity to discuss that in a moment.

Let me say, regardless of what legislation I have offered, and what legislation may have been offered on the Re-

publican side, I think there are five factors that should be included, five factors that ought to be considered as we contemplate what kind of an approach we in the Senate and in the Congress must subscribe to if we are going to respond to the disastrous situation we find in rural America today.

The first is that this must be immediate. We cannot wait until September, or October, or November, at least to take the first step. I realize the legislative process is slow and cumbersome, but if we don't start now, we will never be able to respond in time to meet the needs created by the serious circumstances we face today. First and foremost, in an emergency way, this has to be responsive to the situation by allowing the Senate to work its will and do something this week.

Second, it has to be sufficient. The situation, as I have noted, is already worse than it was last year. Last year, we were able to pass a \$6 billion emergency plan. I believe \$6 billion this year is a drop in the bucket, given the circumstances we are facing in rural America today. Our bill recognizes the insufficiency of the level of commitment we made in emergency funding last year. Our bill is sufficient. Our bill recognizes the importance and the magnitude of this problem and commits resources to it: \$10.7 billion. Groups from the Farm Bureau to the Farmers Union to virtually every farm organization I know have said we cannot underestimate how serious this situation is. We recognize that, provide the resources, and provide the sufficient level of commitment that will allow Members to address this problem.

So, No. 2, it has to be sufficient.

No. 3, it has to be fair. Our country is very diverse. I heard Senator SARBANES talk about the disastrous circumstances we are facing right now in Maryland. Maryland is different. We don't have a drought in South Dakota, we have floods. We have low prices. We have commodities that cannot be sold because they cannot be stored. We have agricultural situations, regardless of commodity, that are the worst since the Great Depression in terms of real purchasing power. Southerners have different crop problems. We have to recognize that there are regional differences and there are differences in commodities. Our emergency response has to address them all.

We also have to recognize that we must respond to the disaster that is out there. Unfortunately, our Republican colleagues have drafted legislation that, at least in its current form, does not respond at all to the disaster. There is no disaster commitment in that legislation. For a lot of reasons—its insufficiency, its lack of fairness to commodities, its lack of appreciation of the problems within regions, the fact that it doesn't respond to the disaster—this side is convinced that if we were to pass the Republican bill today, it would not do the job.

I congratulate my colleagues for joining in responding to the situation,

but I don't think it is broad enough. I don't think it is sufficient enough. I certainly don't think it is fair enough, given the circumstances we are facing today.

The final factor is simply this: As my colleague from Montana said, emergency assistance alone will not do it. We passed emergency assistance last year and here we are, back again, less than a year later, with an urgent plea on the part of all of agriculture to provide them with additional assistance. Why? Because the market isn't working. Why is the market not working? There are a lot of reasons, but I argue first and foremost it is not working because we don't have an agricultural policy framework for it to work.

Freedom to Farm is not working. We can debate that on and on and on, but there are more farm organizations, there are more economic experts, there are more people from all walks of life, and there are more policy analysts who are arguing today that we have to change the framework, that we have to reopen the Freedom to Farm bill. That is a debate for another day.

Today, this week, the debate must be: can we provide sufficient emergency assistance to bridge the gap to that day when we can achieve better prices, a better marketplace, more stability, and greater economic security?

In just a moment I will move to table the Republican plan. This is in keeping with an understanding I have with the majority leader and the distinguished chair of the Appropriations Committee. It would be my hope, once it is tabled, we can have a debate on the Democratic alternative and have a vote on that at some point in the not-too-distant future, once people have had the chance to be heard. Then, hopefully, we will find some resolution.

I think it is important at the end of the day, or no later than the end of the week, for the Senate to have agreed on something. I don't think it is enough to simply have a Republican vote and a Democratic vote and leave it at that. It is my hope that we can work together to resolve the deficiencies in the Republican bill and listen to them as they express themselves on what it is about the Democratic bill with which they are uncomfortable. At the end of the week, we simply cannot close and leave without having acted successfully on this issue. It is too important. It sends the wrong message if we simply walk away without having accomplished anything.

I am very hopeful we can accomplish something, that as Republicans and Democrats we can come together to send the right message to farmers that we hear them, to send the right message to rural America that we understand, and that we are prepared to respond.

As I noted, we have two versions that have not yet been reconciled. Because I don't believe the Republican plan is sufficient, because I don't think it is fair, because it doesn't respond to all

regions and all commodities, I believe today we can do better than that and we must find a way with which to do better than that.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. I thank the leader for yielding before he makes a motion. I will not take more than a couple of minutes. I didn't get a chance to make a couple of points earlier in the day.

I want to say a few words about the great work of the Senator from West Virginia. I opened the New York Times this morning and saw his picture. He was standing in a drought-stricken cornfield in West Virginia yesterday with the Secretary of Agriculture, Secretary Glickman. He called me on the phone yesterday before the Secretary had gotten there. We talked about the terrible drought situation facing the farmers in West Virginia. Senator BYRD wanted to make sure that we addressed that situation, which we have in our bill, to address the severe drought situation not only in West Virginia but on the entire east coast. I also heard personally from Senator BYRD on the great problem facing our livestock farmers. So we have placed in this amendment an amount of \$200 million to be added to Section 32 funds to be used for assistance to livestock producers who have suffered losses from excessive heat and drought in declared disaster areas.

Again, I commend Senator BYRD from West Virginia for bringing this to our attention so we were able to put this amount of money into the bill for livestock producers. I also want to mention a couple of other things that were not said earlier.

We have some situations where crops have suffered damage, some in 1998 and some in 1999, where the existing farm programs are not adequately addressing the situation and the problems. So we provided \$500 million in our amendment to respond to these situations, in other words, to take a comprehensive view of the disasters that have struck many farmers around the country. We have problems with the citrus crop in California, with apples and onions in New York, that I understand is a \$50 million problem. We expect the Secretary to also address that situation with crops in New Jersey, New Mexico, and I know in other States.

We have done all we can in our bill to accommodate the request to address these issues in a comprehensive manner in disaster payments. Again, I point out we take care of those disasters in our bill. Those are not addressed in the bill put forward by the other side.

Last, I point out that Section 32 funding is also available to purchase commodities to reduce surpluses in a lot of different areas. That is why Section 32 funding is so important. I expect at least \$3 million would be available to make up the existing shortfall in the TEFAP funding under our proposal.

I thank Senator DASCHLE again for his great leadership on this bill. We may have to continue to do some work, but I agree with our leader, we have to do something before we leave here this week. I thank him for his leadership and yield the floor.

The PRESIDING OFFICER (Mr. GORTON). The minority leader.

Mr. DASCHLE. Let me reiterate my admiration and gratitude to the Senator from Iowa. It has been his effort on the floor. He has managed our side in this regard. He has led us in working to come up with a comprehensive approach. No one has put more effort and leadership and commitment into this than has Senator HARKIN. I am grateful to him.

Mr. HARKIN. I thank the minority leader.

#### EMERGENCY FARM RELIEF

Mr. KOHL. Mr. President, I rise in support of the Daschle amendment to provide relief to the farmers of this nation who now suffer from the irony of an economic crisis in rural America at a time when the rest of the nation is enjoying one of our history's greatest period of economic prosperity. Senator DASCHLE's amendment will bring much needed relief to America's farmers who face the real threat of a failed market and, in some cases, farmers who are caught in the grips of one of the worst droughts of this century.

Last year, Congress provided similar relief to farmers totaling nearly \$6 million. The amendment offered by Senator DASCHLE is in the \$10 billion range. Without question, these are huge sums of money and this Congress should not recommend their expenditure without serious consideration of the need and the consequences. However, I would like to remind my colleagues that during the farm crisis of a decade ago, farm spending for commodity price support programs in some years exceeded \$25 billion. By comparison, the Daschle amendment when coupled with USDA farm outlays under current law, especially when adjusted for inflation, are modest by comparison.

Ask any farmer across America, including dairy farmers in Wisconsin who a few months ago witnessed the greatest drop in milk prices in history, and you will learn just how serious the current farm crisis is. The Daschle amendment is necessary to protect our farmers and their ability to protect our national food security. We can point to many different reasons why the farm economy is now suffering. But more importantly, action is needed to deal with the immediate problem. Farmers now suffer from a failed safety net and Senator DASCHLE's amendment will help patch the holes in that safety net until one of greater substance and success can be put in place.

Mr. DASCHLE. Mr. President, at this point I move to table the amendment offered by the distinguished Senator from Mississippi.

Mr. COCHRAN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 1500, as modified.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Utah (Mr. HATCH) and the Senator from New Mexico (Mr. DOMENICI) are necessarily absent.

I further announce that, if present and voting, the Senator from Utah (Mr. HATCH) would vote "no."

The result was announced—yeas 47, nays 51, as follows:

[Rollcall Vote No. 249 Leg.]

#### YEAS—47

Akaka	Feingold	Lieberman
Baucus	Feinstein	Lincoln
Bayh	Graham	Mikulski
Biden	Gregg	Moynihan
Bingaman	Harkin	Murray
Boxer	Hollings	Reed
Breaux	Inouye	Reid
Bryan	Johnson	Robb
Byrd	Kennedy	Rockefeller
Cleland	Kerrey	Santorum
Conrad	Kerry	Sarbanes
Daschle	Kohl	Schumer
Dodd	Landrieu	Torricelli
Dorgan	Lautenberg	Wellstone
Durbin	Leahy	Wyden
Edwards	Levin	

#### NAYS—51

Abraham	Fitzgerald	McConnell
Allard	Frist	Murkowski
Ashcroft	Gorton	Nickles
Bennett	Gramm	Roberts
Bond	Grams	Roth
Brownback	Grassley	Sessions
Bunning	Hagel	Shelby
Burns	Helms	Smith (NH)
Campbell	Hutchinson	Smith (OR)
Chafee	Hutchison	Snowe
Cochran	Inhofe	Specter
Collins	Jeffords	Stevens
Coverdell	Kyl	Thomas
Craig	Lott	Thompson
Crapo	Lugar	Thurmond
DeWine	Mack	Voinovich
Enzi	McCaïn	Warner

#### NOT VOTING—2

Domenici Hatch

The motion was rejected.

Mr. LOTT. Mr. President, I move to reconsider the vote.

Mr. CRAIG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

#### AMENDMENT NO. 1500, WITHDRAWN

Mr. LOTT. Mr. President, I now withdraw the amendment I offered on behalf of Senator COCHRAN, amendment No. 1500.

The PRESIDING OFFICER. The amendment is withdrawn.

#### AMENDMENT NO. 1506 TO AMENDMENT NO. 1499

(Purpose: To provide emergency and income loss assistance to agricultural producers)

Mr. HARKIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself, Mr. DASCHLE, Mr. DORGAN, Mr.



KERREY, Mr. JOHNSON, Mr. CONRAD, Mr. BAUCUS, Mr. DURBIN, Mr. WELLSTONE, Mrs. LINCOLN, and Mr. SARBANES, proposes an amendment numbered 1506 to amendment No. 1499.

Mr. HARKIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. LOTT. Mr. President, I move to table the pending amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LOTT. Mr. President, I ask unanimous consent that a vote occur on the motion to table that I just made at 5 p.m., with the time between now and then equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, I ask the majority leader, for the purpose of scheduling, as I understand it, this will be the last vote and we will return to the dairy debate following this, is that correct?

Mr. LOTT. Mr. President, if I can respond, I understand that, depending on how this vote goes, there may be a second-degree amendment that would be offered perhaps by Senator ASHCROFT. But after that is dispensed with, that would be the final vote of the day, I believe, once we dispense with this whole process. Then we can go on to debate dairy, and the vote on dairy cloture will occur in the morning. We would have time for debate on cloture tonight.

Mr. DASCHLE. I thank the majority leader.

The PRESIDING OFFICER. Who yields time?

Mr. DASCHLE. Mr. President, as I understand it, time is equally divided, so we have about 7 minutes on our side.

The PRESIDING OFFICER. The Senator is correct.

Mr. DASCHLE. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. Mr. President, who controls time?

The PRESIDING OFFICER. The two leaders or their designees.

The Senator from Iowa is recognized on the Democrats' time.

Mr. HARKIN. I thank the Chair.

The PRESIDING OFFICER. There is less than 15 minutes remaining before the 5 o'clock vote.

Mr. HARKIN. Mr. President, we just had a vote on a package that was proposed by the other side which would have gone out in direct payments to farmers as sort of income support for the low prices this year. The motion to table was unsuccessful. But I note that the vote was 51-47, a very close vote, to be sure. So now, under the previous arrangement, the first-degree amendment offered by Senator DASCHLE and

I, and others on this side, is now the pending amendment.

I would like to explain for a couple of minutes the differences between what we have proposed and what was previously voted on. The package that was previously voted on was basically direct payments to farmers, AMTA payments, transition-type payments, which would go out.

Our package is a lot more comprehensive in that it addresses not only the income loss of farmers this year because of disastrously low prices, but our proposal also has \$2.6 billion in there for disaster assistance. It covers such things as the 30-percent premium discount for crop insurance, so we can get farmers to buy more crop insurance all over America. We have money in there for 1998 disaster programs that were not fully compensated for with money from last fall's disaster package. We have some livestock assistance programs, Section 32 funding, related to natural disasters, and flooded land programs. I might also point out that because of the disastrous drought affecting the East Coast, we have money in our proposal that would cover disaster payments to farmers up and down the Middle Atlantic because of the severe drought that is happening.

I might also point out that because of the need to get this money out rapidly to farmers, we have adequate funds in our disaster provision for staffing needs for the Farm Service Agency, so they can get these funds out in a hurry to our farmers.

I also point out that in the proposal now before us, we have an emergency conservation program for watershed and for wetlands restoration. We have some trade provisions that I think are eminently very important. They include \$1.4 billion that would go for humanitarian assistance. This would be to purchase oilseed and products, and other food grains that would be sent in humanitarian assistance to starving people around the world. That was not in the previous amendment we voted on.

Mr. DORGAN. Will the Senator yield for a question?

Mr. HARKIN. In one second, I will.

Also, we have some emergency economic development because the disasters that have befallen our farmers and the low grain prices have affected many of our people in the smaller communities. We have funds for those problems also.

I yield for a question.

Mr. DORGAN. Mr. President, I wonder if the Senator can emphasize disaster relief. As the Senator indicated—and I knew this—the previous initiative we voted on by the majority party, and was not tabled, that did not include disaster relief. We know disaster is occurring. Drought is spreading across the country. Disaster relief is necessary. Is it the case that the proposal we just voted on had no disaster relief and the proposal we will vote on at 5 o'clock, which you and I and so

many others helped draft, does include disaster relief; is that not a significant difference?

Mr. HARKIN. The Senator from North Dakota is absolutely right. There was no disaster assistance in the other bill. There is disaster assistance in ours—\$2.6 billion that would cover the droughts, cover the floods, and cover a lot of the natural disasters that have befallen farmers all over America. That is a big difference in these two bills. That is encompassing the bill that we now have before us.

Lastly, I would like to say that the payments that go out under our bill go out to producers and go out to actual farmers. Under the bill that we just voted on, some of the payments would go out to people who maybe didn't even plant a thing this year. They may not have even lived on a farm. This has to do with 20-year-old base acreages and program yields. So a lot of money can go out to people who aren't farming any longer. Our payments go out to actual farmers and people who are actually out there on the land.

I yield to my friend from New York.

Mr. SCHUMER. I thank the Senator from Iowa.

I ask the Senator to yield for a question.

I want to underscore the point about disaster relief in the Northeast. We have farmers who are hurting in my State of New York. Further south, in the middle Atlantic States, the drought is probably the worst it has been in this century. It is awful. In my State, it goes from county to county. Some have had some rain. Many have not. In other States, it is the whole State.

The fact that this proposal has money for disaster relief and the other doesn't is going to mean a great deal for the Northeast, I would presume.

Mr. HARKIN. Absolutely. In response to my friend from New York, absolutely for New York and all the States in the upper Northeast. It is not only just the price problem that you have. You have some disasters hitting you up there, and no money to help those farmers is included in their bill. That is why it is so important that this bill is passed and not tabled.

I hope Senators will recognize that in this bill it is not only income support, but it is also disaster payments to farmers.

Mr. President, how much time do we have left on this side?

The PRESIDING OFFICER. One minute 19 seconds.

Mr. HARKIN. I reserve that time in case our leader wants to use it.

I yield the floor.

The PRESIDING OFFICER. Who yields time? If neither side yields time, it will be equally to both sides.

The Democratic leader.

Mr. DASCHLE. Mr. President, it is my understanding that a couple of other colleagues wish to speak. I don't see them. There is only a minute left. We are not going to delay this vote.

I again compliment the distinguished Senator from Iowa and my other colleagues for their effort to get us to this point. I think for rural America this is one of the most important votes we are going to cast this session. Whether or not we send a clear message about the seriousness of this situation, the breadth and the depth of this situation, whether we really understand the magnitude of the problem will be determined by how this vote turns out.

If I had my way, we would do a lot more. But at the very least, we must do this. There are millions of people who are going to be watching to see whether or not the Congress gets it—whether or not the Congress understands the magnitude of the problem, whether or not we can fully appreciate the fact that people are being forced off the farms and ranches today, whether or not that happens, and whether or not we understand how serious this situation is will be determined in the next 20 minutes.

I must tell you, Mr. President, that this is a very critical vote. I urge my colleagues on both sides of the aisle not to table this amendment. Join with us in support. Let's send the right message to American agriculture.

I yield the floor.

The PRESIDING OFFICER. All time for the proponents of the amendment has expired.

The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I know of no Senator who is seeking recognition on this side. The issue has been debated fully. I think we are prepared to go to vote.

I yield the time on this side on the amendment.

Ms. MIKULSKI. Mr. President, I rise today in strong support of the Democratic Emergency Relief Package for Agriculture. I am pleased to be a cosponsor of this critical amendment. American farms are struggling to survive. This package creates a safety net for our farmers who are facing a devastating drought.

I support this amendment for three reasons. First it will help our farmers in Maryland who are suffering through an extreme drought. Second, it will help us maintain our agri-economy in the United States. Third, it is comprehensive because it helps farmers in all regions of the country.

My state of Maryland is suffering from the most severe drought in the State's history. Last week, Governor Glendening declared a state-wide drought emergency. This is the first time in Maryland's history that the Governor has had to take such drastic measures. Up to this point, water conservation efforts have been voluntary. Now, Marylanders will be required by law to conserve water. The United States Geological Survey officials are calling the drought of 1999 possibly the century's worst in the Mid Atlantic region. We can't stand by and let our farmers face this drought on their own. These are hard working, tax paying

Americans who are facing a crisis. If we don't help them, we all lose.

Maryland has now been plagued by drought for the third consecutive year. The drought has destroyed between 30 percent and 80 percent of the crops in nineteen counties in Maryland. Loss of soybean, tobacco, wheat and corn crops is making this a very tough season for Maryland farmers. Our farmers need our help. Our farmers are losing crops and they are losing money—without help, they might lose their farms. Couple the drought with the record low prices, high costs and a glut in the market and that spells disaster for Maryland farmers.

I am already fighting with the rest of the Maryland delegation to designate Maryland farmland as disaster areas because of the drought. This means the Department of Agriculture will provide emergency loans to our farmers. But we need to do more. Loans need to be paid back. Loans do not provide any real long term assistance for our farming community. We must also provide grants for these farmers who are suffering most from the drought. The Democratic package contains direct payments to help our farmers. These grants could mean the difference between saving the family farm or selling out to the highest bidder.

Mr. President, the second reason I support this package is because it supports our family farms. Agriculture is a critical component of the U.S. economy. Our country was built on agriculture. Agriculture helps us maintain our robust economy. It is what fills our grocery stores with fresh, plentiful supplies of safe food for our families. It allows us to trade with other countries and build global economies and partnerships. It allows us to assist other countries whose people need food. Agriculture is the number one industry in the State of Maryland. We need to make sure U.S. agriculture is strong. We cannot allow natural disasters to ruin this crucial sector by putting farms out of business for good. These are good farmers who, through no fault of their own, have been put in devastating situations. These are farmers we need. I will not stand by and allow them to go under. We must pass this farm package to save our farmers.

Finally, Mr. President, I support this package because it supports farmers in all regions of the country. The combination of low prices, lack of adequate crop insurance and natural disasters has made it a challenge to draft a package that helps everyone. Different areas of the country suffer from one or all of these contingencies. As I mentioned, Maryland suffers from all three. This makes it especially hard for us. It also makes it especially vital that we pass this farm relief package today.

I strongly urge my colleagues to vote to help our American farmers and to save our farms.

The PRESIDING OFFICER. Is there objection to voting at this time?

Without objection, it is so ordered.

The question is on agreeing to the motion to table the amendment. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative assistant called the roll.

Mr. NICKLES. I announce that the Senator from Utah (Mr. HATCH) and the Senator from New Mexico (Mr. DOMENICI), are necessarily absent.

The PRESIDING OFFICER (Mr. SMITH of Oregon). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 54, nays 44, as follows:

[Rollcall Vote No. 250 Leg.]

#### YEAS—54

Abraham	Frist	McConnell
Allard	Gorton	Murkowski
Ashcroft	Graham	Nickles
Bennett	Gramm	Roberts
Bond	Grams	Roth
Brownback	Grassley	Santorum
Bunning	Gregg	Sessions
Campbell	Hagel	Shelby
Chafee	Helms	Smith (NH)
Cochran	Hutchinson	Smith (OR)
Collins	Hutchison	Snowe
Coverdell	Inhofe	Specter
Craig	Jeffords	Stevens
Crapo	Kyl	Thomas
DeWine	Lott	Thompson
Enzi	Lugar	Thurmond
Feingold	Mack	Voinovich
Fitzgerald	McCaain	Warner

#### NAYS—44

Akaka	Durbin	Lieberman
Baucus	Edwards	Lincoln
Bayh	Feinstein	Mikulski
Biden	Harkin	Moynihan
Bingaman	Hollings	Murray
Boxer	Inouye	Reed
Breaux	Johnson	Reid
Bryan	Kennedy	Robb
Burns	Kerrey	Rockefeller
Byrd	Kerry	Sarbanes
Cleland	Kohl	Schumer
Conrad	Landrieu	Torricelli
Daschle	Lautenberg	Wellstone
Dodd	Leahy	Wyden
Dorgan	Levin	

#### NOT VOTING—2

Domenici Hatch

The motion was agreed to.

Mr. COCHRAN. I move to reconsider the vote.

Mr. CRAIG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ASHCROFT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1507 TO AMENDMENT NO. 1499  
(Purpose: To provide stability in the United States agriculture sector and to promote adequate availability of food and medicine for humanitarian assistance abroad by requiring congressional approval before the imposition of any unilateral agricultural or medical sanction against a foreign country or foreign entity)

Mr. ASHCROFT. Mr. President, it is my intention to send an amendment to the desk.

Mr. HARKIN. May we have order, please. This is an important amendment.

The PRESIDING OFFICER. The Senate will be in order.

Mr. ASHCROFT. I thank the Chair. And I am grateful to the Senator for asking for order in the Chamber.

I intend to send an amendment to the desk relating to something that I think is very important to the members of the agricultural community in the United States of America.

This is an amendment that relates to farmers because it relates to their ability to sell the things they work hard to produce. Currently, it is possible for the President of the United States to sanction—meaning, to curtail—the right of farmers to export and sell that which they produce on their farms.

The farmers work hard, they get a bumper crop, and then, because the President would decide that he wanted to make some foreign power or another respond to his interests or his requirements, or our interests or our requirements, the President would impose an embargo, a trade embargo, which would forbid our agriculture community to export corn or wheat or soybeans—agricultural products—to these other countries.

Sanctions do play an important and vital role in the U.S. foreign policy. But I think when you talk about unilateral sanctions that the Government of the United States enters into alone, and you talk about food and medicine as the subject of sanctions, you have to ask yourself a variety of different questions that I think really result in sort of a different conclusion about food and medicine type sanctions than a lot of other sanctions.

Put it this way. I think it is important that we make sure we do not provide countries with the wrong kind of hardware, the wrong kind of commercial assets. But it makes very little sense, in most circumstances, to say to other countries: We are not going to let you spend money on food; we are not going to let you spend money on medicine.

This amendment, which I will be offering, is an amendment that is designed to involve the Congress in the important decision about whether or not we should have sanctions that relate to food and medicine that are unilaterally imposed by the United States of America, not in conjunction with any other powers.

To summarize the kind of regime that would be specified in this amendment, the bill would not tie the hands of the executive by making it necessary for the President to get the consent of Congress. The President's hands wouldn't be tied. He could still get sanctions. He would simply have to have the agreement of the Congress so that while the President would need the agreement of Congress, his hands would not be tied. He would literally have to shake hands with Congress before he embargoes agriculture or medi-

cine. The amendment would not restrict or alter the President's current ability to impose broad sanctions with other nations. It certainly does not preclude sanctions on food and medicine. It simply says the President may include food and medicine in a sanction regime, but he must first obtain congressional consent.

We did add a special provision to this amendment with regard to countries that are already sanctioned. For the seven countries under a broad sanctions regime, we want to afford the President and the Congress some time to review the sanctions on food and medicine on a country-by-country basis. Therefore, the bill would not take effect until 180 days after it is signed by the President. This gives both branches of Government enough time to review current policy and to act jointly, as would be necessary if jointly they were to decide that sanctions against food and medicine should be maintained.

There are some exceptions. If Congress declares war, there is no question about it; the President should have the authority to sanction food and medicine without congressional approval. The President's authority to cut off food and medicine sales in wartime obviously should exist and would continue to exist.

The bill specifically excludes all dual-use items and products that could be used to develop chemical or biological weapons. There are not many agricultural or medicinal products that have military applications, but the bill provides safeguards to ensure our national security is not harmed.

We made sure that no taxpayer money could be used to subsidize exports to any terrorist governments. We specifically exclude any kind of agricultural credits or guarantees for governments that are sponsors of international terrorism. However, we do allow credit guarantees to be extended to private sector and nongovernmental organizations. This targeted approach helps us show support for the very people who need to be strengthened in these countries, and by specifically excluding terrorist governments, we send a message that the United States will in no way assist or endorse the activities of nations which threaten our interests.

Just last week, the American Farm Bureau and all State farm bureaus across the Nation released an ag recovery action plan. It requested \$14 billion in emergency funding. I think it is a serious request. It is not a request that I take lightly. We are now considering proposals in the Congress from about \$7- to \$11 billion. We need to be addressing the emergency needs of farmers, but we also need to reduce our own barriers that our own farmers suffer under such as unilateral agricultural embargoes.

The USDA estimated that there has been a \$1.2 billion annual decline in our economy during the mid-1990s as a re-

sult of these kinds of embargoes. The National Association of Wheat Growers estimated that sanctions have shut U.S. wheat farmers out of 10 percent of the world's wheat market. The Washington Wheat Commission projects that if sanctions were lifted this year, our wheat farmers could export an additional 4.1 million metric tons of wheat, a value of almost half a billion dollars to the United States and to American farmers. American soybean farmers could capture a substantial part of the soybean market in sanctioned countries. For example, an estimated 90 percent of the demand for soybean meal in one country, 60 percent of the demand for soybeans in another. Soybean farmers' income could rise by an estimated \$100- to \$147 million annually, according to the American Soybean Association.

For us to raise barriers for the freedom of our farmers to market the things they produce and hold them hostage to our foreign policy objectives would require that we could get great foreign policy benefit from these objectives. And there isn't any clear benefit.

One of the most ironic of all the case studies about agricultural sanctions was the study of our grain embargo against the Soviet Union in the late 1970s. Indeed, there we were upset about activities in the Soviet Union, so we indicated we wouldn't sell to the Soviet Union the grain we had agreed to sell to them. It was something like 17 million tons.

It turns out that by canceling our agreements, the Soviets went to the world market, according to the best studies I know of, and they saved \$250 million buying grain on the world market instead of buying it from us. So our embargo not only hurt our own farmers but aided the very country to which we had directed our sanction. It seems to me we should not be strengthening our targets when we are weakening American farmers through the imposition of unilateral sanctions on food and medicine—the idea somehow that we allow foreign governments to starve their people and to spend their resources on things that destabilize regions of the world, telling their people: We can't have food in this country, the U.S. won't sell us food, when I think we should be glad for any country to buy things like soybean and wheat and rice and corn so that they are not buying things that are used to destabilize their neighbors or weaponry and the like. I believe it is important for us to say to our farmers that we are not going to make them a pawn in the hands of people for international diplomacy. The rest of America continues to go merrily forward, and they are bearing the brunt because they operate in a world marketplace where there are markets for these commodities that, in the event the foreign powers want them, they get them and replace them very easily.

It is with that in mind that this amendment has been constructed, carefully constructed, and designed to respect the need for sanctions where they are appropriate. When we engage in sanctions multilaterally, this does not come into play. This is designed to affect unilateral sanctions on food and medicine, and it doesn't prohibit them. It simply says that in order for the President to impose them, he would have to gain the consent of the Congress.

I am pleased that there is a long list of individuals who have been willing to cosponsor this amendment with me. Frankly, this amendment is a combination of provisions that were in a measure Senator HAGEL of Nebraska and I had proposed. We have come together to work on it. Senator BAUCUS, Senator ROBERTS, Senator KERREY of Nebraska, Senator DODD of Connecticut, Senator BROWNBACK of Kansas, Senator GRAMS of Minnesota, Senator WARNER of Virginia, Senator LEAHY of Vermont, Senator CRAIG of Idaho, Senator FITZGERALD of Illinois, Senator DORGAN, Senator SESSIONS, Senator LINCOLN of Arkansas, Senator LANDRIEU, Senator HARKIN, Senator CONRAD, Senator INHOFE and others have been willing to cosponsor this amendment. I think it is an important amendment. I am pleased to have this opportunity to offer the amendment.

I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri [Mr. ASHCROFT], for himself, Mr. HAGEL, Mr. BAUCUS, Mr. ROBERTS, Mr. KERREY, Mr. DODD, Mr. BROWNBACK, Mr. GRAMS, Mr. WARNER, Mr. LEAHY, Mr. CRAIG, Mr. FITZGERALD, Mr. DORGAN, Mr. SESSIONS, Mr. LINCOLN, Mr. LANDRIEU, Mr. CONRAD, Mr. HARKIN, Mr. INHOFE, and Mr. CHAFEE, proposes an amendment numbered 1507 to amendment No. 1499.

Mr. ASHCROFT. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

#### PRIVILEGE OF THE FLOOR

Mr. ASHCROFT. Mr. President, I ask unanimous consent that James Odom of my staff be granted the privilege of the floor during today's session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, I ask unanimous consent that I be added as a cosponsor of the Ashcroft amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERREY. Mr. President, I rise today in support of the pending amendment regarding agricultural sanctions reform. One only has to run a search for legislation regarding sanctions to see that economic sanctions reform has become a key issue for the 106th Congress. I am pleased to be the cosponsor of several pieces of legislation that

seek to address the problem of current U.S. sanctions policies.

In particular, I am pleased to be the cosponsor of Senator LUGAR's bill, S. 757, which seeks to create a more rational framework for consideration of future U.S. sanctions. While I strongly support the amendment currently pending before the Senate, this is only the first step in addressing economic sanctions reform. It is my hope Congress will continue to work in a bipartisan manner to make our sanctions policy more focused and effective.

I am sure it comes as no surprise to my colleagues from farm states that there is a crisis in rural America. It is a crisis that is threatening the very foundations of family-based agriculture. Export markets have shrunk, commodity prices have plummeted, and rural incomes have decreased at an alarming rate. Yet while this is occurring, both Congress and the President have continued to pursue a foreign policy that places restrictions on our agricultural producers, closes off markets, and lowers the value of commodities.

Too often, we have used the blunt instrument of unilateral economic sanctions—including restrictions on the sale of U.S. agricultural products—as a simple means to address complex foreign policy problems. These agricultural sanctions end up hurting the most vulnerable in the target country, eroding confidence in the United States as a supplier of food, disrupting our export markets, and placing an unfair burden on America's farmers.

Mr. President, I do not mean to suggest we will bring relief to rural America by simply reforming our sanctions policy. The crisis in agriculture is principally a result of the failure—not of our foreign policy—but of our farm policy. It is time to rewrite the farm bill to safeguard producer incomes and to stop the outmigration from our rural communities. Those who argue sanctions are the sole cause of the problems in agriculture fail to realize the challenges we are facing require a more comprehensive solution. However, while we work to improve farm legislation, we cannot continue to ask our farmers to bear the brunt of U.S. foreign policy decisions.

The amendment we are currently considering would be a positive first step in addressing sanctions reform. Under current law, agricultural and medicinal products may be included under a sanctions package without any special protections against such actions. However, if this amendment is adopted, agricultural products and medicine would be precluded from any new unilateral sanctions unless the President submits a report to Congress specifically requesting these products be sanctioned. Congress would then have to approve the request by joint resolution. Furthermore, should an agricultural sanction be imposed, it would automatically sunset after two years. Renewal would require a new request from the President and approval by the Congress.

This amendment undoubtedly sets a high standard for the imposition of unilateral economic sanctions for food and medicine. It is a standard that seeks to end the practice of using food and medicine as a foreign policy weapon at the expense of our agricultural producers.

Mr. President, the strong support we are receiving from commodity groups is a testament to the importance of this amendment to our agricultural producers. Organizations such as the American Soybean Association, the National Corn Growers Association, and the National Association of Wheat Growers—groups that represent America's farmers—support this amendment because they understand the costs and consequences associated with unilateral economic sanctions.

Mr. President, this measure will help our agricultural producers by returning some common sense to the imposition of U.S. sanctions. I urge my colleagues to join with the cosponsors of this amendment to take the first step toward economic sanctions reform.

Mr. TORRICELLI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, I rise in opposition to the Ashcroft amendment. As every other Member of this institution, I understand the hardship in American agriculture. I know the suffering of American families, and I know something of the problem of the policy. This amendment is based on a false promise. We are telling the American farmer that with all of his problems, a significant difference in his life can be made if only we can stop these sanctions.

It is a false promise. All of these countries combined, their total importation of agricultural products is 1.7 percent of agricultural imports.

So even if they bought nothing from Canada, nothing from Argentina, nothing from Australia, and nothing from Europe, altogether it would be 1.7 percent of these imports. What is the potential of these countries that we are being told markets will open by the Ashcroft amendment? How much money is it that these people have to spend to help the American farmer? In North Korea, the total per capita annual income of a North Korean is \$480. In Cuba, it is \$150.

Mr. President, the American farmer is being told: There is a rescue here for you. Rather than deal with the substantive problems of American agriculture at home, we have an answer for you. We are going to open up importation and export to all these terrorist nations, and that will solve the problem. Really? With \$150 in purchasing power in Cuba? The purchasing power of the North Koreans?

The fact of the matter is, to the extent there is any potential in these countries to purchase American agricultural products, the administration has already responded. There may not

be much of a potential, but what there is, we have responded to.

Last week, the administration permitted the limited sale of food and agricultural commodities to these countries by licenses on a country-by-country basis. We did so for a responsible reason. If the North Koreans are going to import American agricultural products, we want to know who is importing them and who is getting them—in other words, that they are going to go to the people of North Korea and not the military of North Korea. If they are going to Cuba, we want to know the Cuban people are getting them, not the Cuban military. The same goes for Iran and Libya.

The potential of what Mr. ASHCROFT is asking we have already done but in a responsible way. Indeed, potentially, with Iran, Libya, and Sudan, this could be \$2 billion worth of sales to those countries—but ensuring that they go to people—not militaries, not terrorist sects, but the people. Here is an example of the policy the administration has had since May 10 with regard to Cuba. Regulations permit the license and sale of food and commodities on a case-by-case basis if they go to non-government agencies, religious organizations, private farmers, family-owned businesses. If your intention is to sell food to any of those entities, you can get a license and you can do it. To whom can't you sell? The Communist Party, the Cuban military for re-export by the Cuban Government for Fidel Castro.

The amendment offered by the Senator from Missouri solves no problem and simply contradicts the administration's policy of ensuring that this goes to the people we want to be the end users. The same is true in North Korea. Today, the United States is in a humanitarian assistance program to North Korea. Over \$459 million worth of food has been donated to North Korea through the World Food Program. UNICEF has done the same. But we send monitors. When the food arrives in North Korea, we monitor that it is going to the people of North Korea, not the military. We want to know the end users.

The amendment by the Senator from Missouri will be a wholesale change in American foreign policy. Sanctions that have been in place since the Kennedy administration, through Johnson, Nixon, Carter, and Reagan, will be abandoned wholesale—a radical change in American foreign policy.

What are the nations and what are the policies that would be changed? I want my colleagues to walk down memory lane with me. Before you vote to end the policy of 30 years of American administrations, I want you to understand who will be getting these food exports, without licenses, which are not required to ensure the end users. I cannot be the only person in this institution who remembers Mr. Qadhafi, his destruction of an American airliner, his refusal to bring the terrorists to

justice who did so to Pan Am 103. We are now in an agreement with Libya to bring those terrorists to trial. Now, in the middle of the trial, while there is an agreement, this amendment would lift the sanctions and allow the exportation of those products.

The Sudan. Sanctions have not been in place long. In an act I am sure my colleagues recall, Mr. bin Laden's lieutenants plotted and executed the destruction of American embassies in Kenya and Tanzania in August 1998; 224 people were murdered. The administration appropriately responded with sanctions, prohibiting the exportation of products of any kind to the Sudan. The amendment of the Senator from Missouri would lift those sanctions.

North Korea. The intelligence community and the Japanese Government have put us on notice that, in a matter of weeks or months, the North Korean Government may test fire an intermediate to long-range missile capable of hitting the United States. We are in discussions with the North Koreans urging them not to do so. We have entered into a limited humanitarian food program to convince them not to engage in the design or testing of an atomic weapon. The amendment of the Senator from Missouri would negate that program, where we already sell food, knowing its end use and end sanctions.

Iran. The administration has already entered into a program where we can license the exportation of food to Iran if we know its end use. But only this year, the administration again noted that Iran supports terrorist groups responsible for the deaths of at least 12 Americans and has funded a \$100 million program to undermine the Middle East peace process, giving direct bilateral assistance to every terrorist group in the Middle East, undermining Israel and American foreign policy.

Cuba. In October 1997, the United States found that the Cuban Government had murdered four Americans and found them guilty of gross violations of human rights. Last year, 12 Cubans were indicted in Florida for a plot to do a terrorist act against American military facilities in Florida. The United States already licenses food to Cuba, where we know the end use. The amendment of the Senator from Missouri would allow the wholesale exportation of food to Cuba despite these indictments, gross human rights violations, and 30 years of American foreign policy.

I respect the concern of the Senator from Missouri for the American farmer. I understand the plight. But let's deal truthfully with the American farmer, his family, and his plight. The Cuban family who earns \$150 a year, through their purchasing power, is not going to salvage American agriculture. If Cuba was capable of importing food today, they would do so from Argentina, Canada, or Europe. They don't because they can't, because they have no money. The same is true of North

Korea. If North Korea had the money to import food, they would do so from every other nation in the world that does not have sanctions on them. They don't because they can't, because they can't afford it, because they have no money. You are making an offer no one can accept—an answer to the American farmer that has no substance. I don't believe there is a single farmer in America who either believes this argument or, even if it would be successful, even if they did have money, would want to profit off the misery of others who are victims of this kind of terrorism.

I, too, represent an agricultural State. Farmers in the State of New Jersey—the Garden State—are also suffering.

I have yet to find one American farmer—good Americans, patriotic Americans—who believes the answer to their problem is selling Qadhafi products, or the Iranians. American farmers—all of the American people—have long memories.

These people are outlaws. Every one of these nations is on the terrorist list. Is our policy to put nations on the terrorist list because they kill our citizens, bomb our embassies, destroy our planes, and then to say: It is outrageous but would you like to do business? Can we profit by you? We know our citizens have been hurt. But, you know, that was yesterday; now we would like to make a buck.

Please, my colleagues, don't come to this floor and argue that you are contradicting the foreign policy of Bill Clinton. You are. And you are undermining his negotiations as to the North Korean missile tests and atomic weapons, and you are undermining our efforts to bring people to justice in Libya and for human rights in Cuba. But don't come to this floor and just claim you are undermining Bill Clinton. Half of these sanctions were put in place by Ronald Reagan and George Bush. This is 30 years of American foreign policy with a single vote, with a stroke of a pen, that you would undermine.

Some of you may be prepared to forget some of the things through all of these years. Maybe some of these acts are distant. But my God. Saddam, the destruction of American embassies? Some of those families are still grieving. We haven't even rebuilt the embassies. We are still closing them because of terrorist threats. The man who masterminded it is still being hunted.

The Sudan?

This is our idea of how to correct American foreign policy? My colleagues, I want to see this amendment defeated. But, indeed, that is not enough.

If from North Korea to the Sudan to Iran there is a belief that you can just wait the United States out, that we are the kind of people who will forget that quickly, who will profit in spite of these terrible actions against our people, what a signal that is to others.

What a signal it is to others who engage in terrorism.

I do not hold a high standard with whom we do business. Business is business. Politics is politics. But there is a point at which they meet. These rogue nations, identified after careful analysis of having engaged in the sponsoring of international terrorism, deserve these sanctions. On a bipartisan basis, we have always given them these sanctions. Don't desert that policy.

Bin Laden in his cave in Afghanistan, Abu Nidal in the Middle East are even now plotting against Israel and the peace process.

I don't know whether the American farmer will know of or appreciate this vote. But I know that in those capitals in those countries where the people committed these acts it will be noted.

This is not a partisan affair. I am very proud that from CONNIE MACK, who has joined this fight for some years, to the distinguished chairman of the committee, Chairman HELMS, to BOB GRAHAM, to our own leadership in HARRY REID, to, indeed, the majority leader, Senator LOTT, they have all joined in defeating this amendment because it is right for American foreign policy.

Let's do justice to the American farmer by dealing with the substantive problem—not dealing with excuses, and not dealing with other matters. We do nothing by fooling the American farmer. The American farmer stands shoulder to shoulder with every other American against terrorism and the defense of our country and its interests.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. HAGEL. Thank you, Mr. President.

Mr. President, I rise to strongly support this amendment. I am a cosponsor. As Senator ASHCROFT noted, it is the blending of Senator ASHCROFT's bill and my bill that produced this amendment.

This amendment establishes a basic principle: Food and medicine are the most fundamental of human needs and should not be included in unilateral sanctions.

The rate of change in today's world is unprecedented in history. Trade, and particularly trade in food and medicine, is the common denominator that ties together the nations of the world. American exports of food and medicine act to build bridges around the world. It strengthens ties between people and demonstrates the innate goodness and humanitarianism of the American people.

This amendment recognizes that there could be reasons to restrict food and medicine exports and recognizes that, in fact, sometimes unilateral sanctions are in the best interests of this Nation's security. We do not take that ability away from the President of the United States. That is not what this amendment does. We all recognize that there are times when unilateral

sanctions should, in fact, be in the arsenal of our foreign policy tools, but it also recognizes that the Congress should have a role in that decision.

This amendment recognizes that there are circumstances where export controls may be necessary, such as in times of war, if it is a dual-use item controlled by the Commerce Department, or if the product could be used in the manufacture of chemical or biological weapons. That is not the debate here. That is not the debate.

But we have had a long and sad history in understanding what unilateral sanctions do to those who impose them. We don't isolate Cuba. We don't isolate China. We don't isolate any nation other than our own interests when we say: We will not sell you our grain, our medicines.

Do we really believe that in the world we live in today a nation cannot get wheat from Australia, from Canada, or cannot get soybeans from Brazil? The fact is that the world is dynamic. It has always been dynamic. The challenges change. The solutions to those challenges, the answers to those challenges, must be dynamic as well.

We need to send a strong message to our customers and our competitors around the world that our agricultural producers are going to be consistent and reliable suppliers of quality and plentiful agricultural products.

I heard the discussion on the floor of the Senate today about this amendment—talking about, well, my goodness, are we trying to fix the problems of farmers with this amendment with sanctions reform? No. No, we are not.

But I think it is important we understand that this is connected. This is linked. Trade reform and sanctions reform were, in fact, part of the commitment that this Congress made to our agricultural community in 1996.

We need to lead. We need to be creative. We need to be relevant. We need to connect the challenges with the policy. USDA, for example, reports that the value of agricultural exports this year will drop to \$49 billion. That is a reduction from \$60 billion just 3 years ago. American agriculture is already suffering from depressed prices and reduced global markets, as we have heard very clearly today, making sanctions reform even more important. Again, let's not blur the lines of this debate.

I noted as well the debate today on the floor regarding the Iranian piece of sanctions reform.

Let's not forget that when America broke diplomatic relations with Iran, Iran was the largest importer of American wheat in the world. I think, as has been noted, Iran this year will import almost \$3 billion worth of wheat. Are we talking about just the commercial interests and the agricultural interests of America and national security interests be damned? No, we are not talking about that.

This amendment gives the President the power, when he thinks it is in our

national security interests or in our national interests as he defines those through his policy, to impose unilateral sanctions. However, he does it with the Congress as a partner; the Congress has a say when we use unilateral sanctions.

This is not just about doing what is right for the American farmer and rancher, the agricultural producer. This amendment also makes good humanitarian and foreign policy sense. Our amendment will say to the hungry and oppressed of the world that the United States will not make their suffering worse by restricting access to food and medicine.

I have heard the arguments; I understand the arguments. I don't believe I live in a fairyland about where the food goes, where the medicine goes. We understand there always is that issue when we export food, sell food, give food to dictators, to tyrants. We understand realistically where some of that may be placed.

To arbitrarily shut off to the people, the oppressed masses of the world, food, medicine, and opportunities is not smart foreign policy. It is not smart foreign policy. It will make it harder for an oppressive government, the tyrants and dictators, to blame the United States for humanitarian plights of their own people. In today's world, unilateral trade sanctions primarily isolate those who impose them.

For those reasons and many others that Members will hear in comments made yet this afternoon on the floor of the Senate, I strongly encourage my colleagues to take a hard look at what we are doing, what we are trying to do, to make some progress toward bringing a unilateral sanctions policy into a world that is relevant with the borderless challenges of our time. I believe we do protect the national interests of this country, that we sacrifice none of the national interests on behalf of American agriculture. In fact, this amendment accomplishes both.

I yield the floor.

Mr. GRAHAM. Will the Senator yield?

Mr. HAGEL. I am happy to yield to the Senator.

Mr. GRAHAM. I am struck with some of the inconsistencies within this amendment. I appreciate my colleague's elucidation as to their significance.

Under "New Sanctions," it states:

...the President may not impose a unilateral agricultural sanction or a unilateral medical sanction against a foreign country or a foreign entity for any fiscal year, unless—

And there are certain exceptions. In terms of "new sanctions," we are speaking as to presidentially imposed.

Under "Existing Sanctions" it says:

...with respect to any unilateral agricultural sanction or unilateral medical sanction that is in effect as of the date of enactment of this Act for any fiscal year. . . .

As my colleague knows, some of the sanctions that would be covered by this



existing sanctions language are congressionally imposed, not presidentially imposed.

The question I have is, Why make the distinction for new sanctions, that they must be presidentially imposed, assumedly reserving to Congress the right to impose a new sanction? Yet with old existing sanctions, the amendment wipes out both those that were presidentially as well as those which had been sanctioned by action of Congress. What is the rationale?

Mr. HAGEL. I will yield to Senator ASHCROFT. That is in his part of the bill. Our two bills were melded together.

Mr. ASHCROFT. May I respond to the question of the Senator from Florida?

The PRESIDING OFFICER (Mr. BROWNBACK). The Senator from Missouri.

Mr. ASHCROFT. I thank the Senator from Florida for his question.

This bill is to harmonize the regime of potential sanctions and basically requires an agreement by the President and the Congress for any unilateral sanction that would be expressed by this country against exporting agricultural or medicinal commodities to other countries.

This results in having to come back to reestablish any existing sanctions, and that has been considered in the drafting of this bill. This bill is not to go into effect for 180 days after it is signed by the President, to give time for the consideration of any sanctions that exist in the measure, and if the President and Congress agree that there are additional sanctions to be levied unilaterally against any of these countries, then those can in fact be achieved.

The intention of the bill is to give the Congress and the President the ability to so agree on those issues.

Mr. GRAHAM. To continue my question, I don't think that was quite responsive to the issue I am raising.

In the Senator's opening statement, the principal argument was that we should not allow the President to unilaterally be imposing these sanctions, and in terms of new sanctions as outlined on page 4, you clearly restrict the application by the President of the prohibition to those that are unilateral.

As it relates to existing sanctions, this language appears to sweep up both sanctions that were unilaterally imposed by the President, such as the one against Sudan last year, as well as those that were imposed by action of Congress, such as the legislation that bears the name of the chairman of the Foreign Relations Committee which was adopted some time ago. That was an action which had the support of the Senate, the House of Representatives, and was signed into law by the President of the United States.

Who else does the Senator want to have sanctioned in order to be an effective statement of policy of the United States of America?

Mr. ASHCROFT. Mr. President, in response to the inquiry of the Senator from Florida, it is clear that the intent of this bill and the language which would be carried forward is that sanctions should be the joint agreement between the Congress and the President. This bill does set aside existing sanctions and establish a singular regime in which sanctions would exist unless another bill or enactment changed that.

Now, a Congress in the future could impose, with the agreement of sanctions, sanctions in a regime that was contradictory to this bill because Congress always has the capacity to change the law. One law we pass today doesn't bind future Congresses from changing that law and future enactments.

I think the Senator from Florida is correct that this measure sets aside existing sanctions and requires that future sanctions, be they initiated by the Congress or by the President of the United States, involve an agreement between the executive and the legislative branches. There is a timeframe during which that is to happen provided for in this amendment.

Mr. GRAHAM. Continuing with the questions, would the Senator from Missouri be amenable to a modification of this amendment to make the existing sanctions provision on page 5 consistent with the new sanctions standards on page 4?

Mr. ASHCROFT. Mr. President, I am willing to consider and would like to have an opportunity to discuss that. I am pleased during the course of the debate this evening to see if something can be worked out. If the Senator from Florida believes there is progress to be made in addressing that, we would be pleased to talk about those issues.

Mr. GRAHAM. If I could move to another provision, which is beginning at line 12, we have the "Countries Supporting International Terrorism" section, which reads:

This subsection shall not affect the current prohibitions on providing, to the government of any country supporting international terrorism, United States government assistance, including United States foreign assistance, United States export assistance, or any United States credits or credit guarantees.

What is missing from that set of prohibitions is prohibitions against direct, unaided commercial sales. As I gather from the Senator's earlier presentation of this amendment, it is his intention that a nonassisted commercial sale between a U.S. entity and one of these terrorist states would be acceptable, i.e., would not be subject to continued prohibitions?

Mr. ASHCROFT. It is our intention, absent an agreement by the President of the United States and the Congress, to so embargo such sales. Such entities would be able to use their hard currency to buy from American producers, agricultural or medicinal products. Our underlying reasoning for that is that when these governments invest in soybeans or corn or rice or wheat, they are

not buying explosives; they are not repressing their population. As a matter of fact, if we could get them to use all of their currency to buy American farm products instead of buying the capacity to repress their own people or destabilize other parts of the world, we want them to do that. The conspicuous absence here, obviously, is we will not provide credit for them which would release them to spend their hard currency in these counterproductive ways.

So the philosophy of this measure is such that we think any time these people will spend money on food and medicine, they are not spending their resources on other things which are much more threatening, not only to the United States but to the community of nations at large.

Mr. GRAHAM. The concern I have is that what essentially we have, or what the Senator proposes to do—I hope we do not follow this suggestion—is to say, if you are a sufficiently rich terrorist state, you can afford to buy the products without any of the credit or other assistance that is often available in those transactions. If you are rich enough to be able to make the purchase without depending upon that, then these prohibitions that are currently in place—by action of the Congress or action of the President or, in the case of several of these, by action of both the Congress and the President—will not apply. But if you are a poor terrorist country and cannot afford to buy the food unless you have one of these subsidies, then you are prohibited. Is it that a rich terrorist state gets a preference over a poor terrorist state?

Mr. ASHCROFT. No, I do not think so. I really think what we are saying is no matter how much money you have, if you are a terrorist state we would rather have you spend that money on food and medicine than we would have you spend that money on weaponry or destabilizing your surrounding territory. No matter how much money you have or you do not have, we are willing and pleased to have you spend that to acquire things that will keep you from oppressing individuals.

I suppose you could argue rich terrorist states are going to be better off than poor terrorist states. I think that is something that exists independent of this particular proposal of this particular amendment. Rich nations, be they good, bad or indifferent, generally are better off than poor ones. But I think it is pretty clear that we do not have an intention of saying we are going to take a regime which is in power and we are going to sustain it by allowing it to displace what would otherwise be its purchases of food by providing credit so they can then use their hard currency to buy arms or other things that would be repressive.

Our intention is to make sure, if the money is spent, they spend it on food and medicine to the extent we can have them do so.

Mr. GRAHAM. Is it a fair characterization of subsection 4 that commercial

sales of food and medicine to a rich terrorist state are acceptable; i.e., would be exempt from the current licensing provisions but humanitarian sales, that is, sales that qualify for one of the various forms of U.S. Government assistance to a poor terrorist state, would continue to be subject to those licensing requirements?

Mr. ASHCROFT. I think one of the things we have sought to do in this legislation is to indicate we are not at war with the people of many of these regimes. As a matter of fact, these regimes are at war with their people. Our intention is to be able to provide food and medicine to those people because we are not at war with them. As a matter of fact, too frequently their government is.

That means we are willing to sell it to them. We are willing to sell it to nongovernmental organizations, to commercial organizations, even to governments, if the governments will put up the money for it. I find that to be an acceptable indication that we are not against the people of these countries; we are against these countries' repressive, terrorist ways.

The terror is worse on their own people, in most of these cases. When we align ourselves with the people, align ourselves with the population in terms of their food and in terms of their health care and in terms of their medicine, that is good foreign policy. It shows the United States, while it will not endorse, fund or sustain, creditwise, a terrorist government, is not at war with people who happen to have to sustain the burden of living under a terrorist government.

So, yes, this allows people in those settings to make purchases if they have the capacity to do so. But it does not allow the government to command the credit of the United States, and in our view it should not.

Mr. GRAHAM. So I think the answer to the question is yes. That raises the question: I notice before the amendment was sent to the desk there was a handwritten insertion in the title of the amendment. The original title had said, "to promote adequate availability of food and medicine abroad by requiring congressional approval. . . ." In the handwritten insertion, the prepositional phrase was added so it now reads "promote adequate availability of food and medicine for humanitarian assistance abroad by requiring congressional approval. . . ." It seems actually the substance of the amendment does quite the opposite of the prepositional phrase.

The substance of the amendment says if you are rich enough to be able to buy at commercial standards, you can avoid the necessity of licensing and all of the constraints that have been imposed by action of Congress, action of the President, or both on terrorist states. But if you are a poor terrorist state and have been sanctioned by Congress or the President, or both, and would require some assistance in order

to be able to get food, then you are still subject to all of these licensing requirements.

So the actual substance of the amendment is inconsistent with the modification that was made in the title. I suspect I know why that was done.

Mr. ASHCROFT. Let me just say, if it is permissible for me to respond, I thank the Senator from Florida for his careful questioning and the opportunity to make a response. I think this is a very constructive way to handle this.

I do not think there is anything that is not humanitarian about allowing nongovernmental organizations, commercial organizations, to buy food so people can eat. I think that is humanitarian. I do not find that to be inconsistent with the title. I do not think in order to have the character of being assistance and humanitarian, they have to be gifts or they have to be credit guarantees. The mere fact that Americans would make possible the sale of vital medicinal supplies and vital food supplies in a world marketplace to people who are hungry and people who need medicinal care is humanitarian.

We do make it possible for certain kinds of nongovernmental organizations and commercial organizations to get credit, but we simply draw a line in extending credit to governments which have demonstrated themselves to be unwilling to observe the rules of human decency and have been perpetrators of international terrorism and propagators of the instability that such terrorism promotes in the world community.

So it is with that in mind that we want people to be able to eat, understanding that the United States is not at war with the people of the world but has very serious disagreements with terrorist governments. We want people to be able to get the right kind of medicinal help, understanding that we are not at war with people who are unhealthy and who need help medically, and understanding that when people get that kind of help, and understand that the United States is a part of it, it can be good foreign policy for the United States.

But we do not believe that addressing the needs of the Government itself, especially allowing them to take their hard currency to buy arms, by our providing them with credit guarantees for their purchase of foodstuffs, would be appropriate.

Mr. GRAHAM. Mr. President, I appreciate the answers to the questions, and I think the summary of those answers is that we have established an inconsistent policy as between actions of the Congress relative to new sanctions and to existing sanctions.

Second, we have established a policy that, if you are a rich terrorist state and have the money to buy food at straight commercial standards, you can do so; if you are a poor terrorist state that would require the access to

some of these various trade assistance programs, then you cannot buy American food.

I do not believe this is an amendment that, once fully understood, the Members of the Senate will wish to be associated with.

Mr. MACK addressed the Chair.

The PRESIDING OFFICER. The Senator from the great State of Florida, Mr. MACK.

Mr. MACK. I thank the Chair.

First, I want to address a point that was made a few moments ago, an argument that went something like this: If we were to open up our markets, that action would, in essence, allow terrorists or countries to buy more food products. I just think that is fundamentally wrong. I think in fact they are buying all of the product that they can afford to buy now. And I would make the case that if they buy the product from us at a cheaper price because of it being subsidized, we are in fact subsidizing terrorist states.

So I just fundamentally disagree with where the proponents of this amendment are going.

Mr. ASHCROFT. Will the Senator yield?

Mr. MACK. Sure.

Mr. ASHCROFT. Is it the Senator's belief that somehow all our agricultural products are subsidized; therefore, it would be cheaper than the world market price?

Mr. MACK. Again, I say to my colleague who has raised this question that I do find it strange that at just the time when Members are coming to the floor and asking the American taxpayer to come to the aid of the American farmer, they are at the same time asking us to lift sanctions to allow them to sell products to terrorist states.

I think, in fact, there is a connection between what is happening today—that is, some \$6-\$7 billion, depending on what this bill finally turns out to produce, \$8-\$9 billion in aid to American farmers, just after a few months ago with the additional aid to the American farmer—that you would find it appropriate to say to the American taxpayer: Now that you have given us this aid, we would like to have permission to sell our product to terrorist countries. I just find that unsupportable.

I thank the Senator for raising the question.

Mr. ASHCROFT. That is not the question I raise. But if I may ask, the Senator's answer, then, is that he thinks what we are talking about in disaster assistance to farmers in this aid is a subsidy that would allow us to sell below world market prices, and that is why we will not do that?

Mr. MACK. It clearly is a subsidy to the American farmer. What kind of effect it will have on the world price I do not think I am qualified to say. But it seems to me it is clear that if in fact there is a subsidy being received by the American farmer, that farmer could sell the product at a lower price.

I thank the Senator for his question.

Mr. President, I oppose trade with tyrants and dictators, and I emphatically oppose subsidized trade with terrorist states. Again, make no mistake, that is exactly what this amendment does. Specifically, with my colleagues from Florida, New Jersey, and the distinguished chairman of the Foreign Relations Committee, we oppose the amendment to prevent any action by this body to limit the President of the United States' ability to impose sanctions on terrorist states.

We had a similar vote last year, in which 67 Senators voted to oppose trade with terrorists. At the risk of stating the obvious, let me try to explain once again why the Senate should not change this position.

Freedom is not free. I know my colleagues understand this simple axiom—this self-evident truth. But today we hear from our colleagues that the farmers of our Nation are undergoing a difficult time. So today, they have put before us a fundamental question: Does this great Nation, the United States of America, support freedom, or do we support terror?

A few weeks ago, as I was preparing a statement on another issue, I came across a letter from His Holiness, the Dalai Lama of Tibet. In this letter the Dalai Lama says, and I quote, "America's real strength comes not from its status as a 'superpower' but from the ideals and principles on which it was founded."

How many times have my colleagues been with me when a visiting head of state delivered to us the same message as the Dalai Lama's? I will provide one example.

Last summer, the President of Romania addressed a joint session of Congress. He began his remarks by reminding us that Romania considered the United States the country of freedom and the guardian of fundamental human rights all over the world. He went on to say:

Throughout its history, your country has been a beacon of hope for the oppressed and the needy, a source of inspiration for the creative, the courageous and the achieving. It has always been, and may it ever remain, the land of the free and the home of the brave.

We are a nation founded on principles—the principles of freedom, liberty, and the respect for human dignity. And our commitment to these principles gives us our real strength today. It is that simple.

I began this statement by posing a question on freedom versus terror. We know, even take for granted, the answer to that question—the United States opposes terror. But what about the strength or our commitment to these principles? On occasion, a short-term crisis can blind us—cause us to lose sight of our values and their importance to who we are and from where we derive our strength.

Today's debate typifies one such moment. The poster which has been shown on this floor indicates the issue before

us with respect to terrorist nations and their leaders—Qadhafi, Castro, and others.

In exchange for very limited market expansion, some would take away the President's authority to restrict trade with six terrorist regimes—six countries whose combined markets represent a mere 1.7 percent of global agricultural imports; yet these minor importers perpetrate or harbor those who commit the world's greatest acts of terror.

Some would have us open trade in agricultural products with these terrorists—in effect placing our principles up for sale. So what is the strength of our commitment to these principles? If we are to choose freedom over terror, what price should we expect to pay? There can be no doubt in anyone's mind the value of our commitment to freedom certainly exceeds the U.S. share of 1.7 percent of the world's agriculture market.

But for those who may actually find this less clear than I do, it gets easier. The request by those who wish to trade with terrorists gets more extreme. With this amendment to language providing subsidies of U.S. agriculture, we are in effect being asked to subsidize global terrorism. The supporters of this amendment are asking the taxpayers of the United States to subsidize American farmers, who will then sell to terrorist states.

The United States must not subsidize terrorist regimes. I find it unconscionable that we would even consider such a proposal. When two countries engage in a trade, even if just one commodity is being exported, both countries benefit from the exchange. So by opening agriculture exports to Iran, Sudan, Cuba, Iraq, Libya, and North Korea, we are offering direct support to the regimes in power. If they chose to purchase from the United States, they would be doing so because they see it as being in their best interest. Their benefit would be greater in this case because the products sold to terrorists would be subsidized by the U.S. taxpayer.

Terrorism poses a direct threat to the United States. The terrorist threat was considerable during the cold war when the Soviet Union and its allies often backed movements or governments that justified the use of terror. The threat is even greater today, when chemical or biological weapons, no bigger than a suitcase, can bring death and devastation to tens of thousands of people. The deaths in the World Trade Center bombing or in Pan Am 103 remind of us what terrorism can produce. Another important reminder is the image of American humanitarian aircraft being blown out of the sky by Cuban Air Force MiG fighters in the Florida Straits. We are moving from a world where terrorists use dynamite or rifles to one where they may use a weapon of mass destruction. The world today is more dangerous in many ways than it was 10 years ago, and the form

of that danger is terrorism, which makes it even more dangerous for the United States to engage in trade with terrorist states.

So where does this leave us? With this simple principle—the United States must not trade with any nation that supports terrorism in any way, direct or indirect. We must insist that there can be no business-as-usual approach to nations that threaten our national security and national interests. We are well aware of the counterarguments. If we don't sell, some other country will, so what is the point? Or why not sell food? You can't turn wheat into a bomb, can you? Well, maybe not, but it is possible for a government that supports terror to use our food exports to win popular support, and it is possible to use the money saved by purchasing subsidized American goods for yet more terror.

We can all agree that the United States must stand for freedom and against terror, and I hope the strength of our commitment to this principled stand runs deep. Today we are being asked how deeply are we committed to opposing terrorism. Make no mistake, our principles provide the real source of America's strength. If we are serious about battling terrorism, there can be no compromise with terror and no trade with terrorist nations.

Mr. President, I yield the floor.

Mr. FITZGERALD addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. FITZGERALD. I thank the Chair.

Mr. President, I am proud to rise in support of Senator ASHCROFT's amendment, of which I am a cosponsor. Before getting into the specifics of Senator ASHCROFT's amendment, I want to lay the table a little bit by describing what I have heard in the agricultural community in my State and to talk for a moment about a farm rally that I attended last Saturday in Plainfield, IL. At that rally, which was held on the Schultz farm in Plainfield, IL, there were more than 500 farmers, not just from Illinois but from all over the country. There were farmers from as far away as Washington State and from Oklahoma and from the Southern and Eastern States as well.

The one message I heard, talking to the farmers, not just those from Illinois but those from all across the country, was that there is a severe crisis in agriculture right now. Crop prices are at almost record low levels, if you consider the effects of inflation. The prices are low not just for corn and soybeans but also for hogs and wheat, and the list goes on.

On top of that, we are seeing a trade situation now in which the countries in the European Union, to whom we used to export large amounts of our grain and livestock products, are, with increasing frequency, raising not just tariff barriers to the importation of American agricultural goods but also

nontariff barriers, pseudoscientific trade barriers, objections to the safety of our food, objections for which very few in the scientific community have said there is any basis.

Also we have seen a slump in the economy in Asia. The near depression in Asia in the last year has caused a severe drop-off in the amount they are importing from the United States and from our farmers in this country. On top of that, as was said earlier today, some parts of our country are experiencing drought, other parts floods. Farmers have complaints, as we all know, about the tax code and its consequences that are particularly felt by family farmers who can't deduct health insurance, for example, who have a very hard time meeting the obligations of the death tax, which taxes their family farms at 55 and, in some cases, 60 percent of their value when a farmer dies.

I am very pleased that Senator COCHRAN and the Agriculture Appropriations Committee have come up with some short-term relief that I think most of us agree is needed. I think Senator COCHRAN's bill will be adequate to meet the challenges we now have in the short term.

I am concerned that we not just address the short term, Mr. President. I think it is very important that we think about long-term solutions for the farm crisis in this country so that we don't have to come back every year and face ongoing crises year after year. Perhaps the best thing we can do for the long-term survival and success of our American farmers is to improve the trade climate.

Several years ago, we passed the Freedom to Farm Act. The farmers in my State of Illinois frequently say: You gave us the freedom to farm, but you didn't give us the freedom to trade. What good is that freedom to farm, that freedom to plant all the acres we wish, if we don't have the freedom to sell our products abroad as we need?

So I think it is very important that we work on a variety of fronts in the trade area. I favor fast track trade negotiating authority for our President. I think that normal trade relations with China would help our farmers. Accession of China into the WTO would be helpful. Agriculture needs a seat at the trade table next fall in the negotiations for the Seattle round of the multilateral trade negotiations. We need to have representatives from the USDA right there with Charlene Barshefsky when we are negotiating trade issues next fall. We also need strong enforcement of WTO trade disputes and, of course, open access for our GMO food products in Europe.

One step toward improving the trade climate for our Nation's farmers is the pending amendment that Senator ASHCROFT and I and a number of my colleagues have cosponsored. I am rising today to support that amendment to exempt food and medicine from unilateral sanctions. Unilateral sanctions

on food and agricultural products clearly hurt American agriculture more than anyone else. The target country simply buys its food from some other country, leaving less money in our farmers' pockets. When the U.S. Government decides to sanction food and agriculture, it simply tells our international competitors to produce more to meet the excess international demand. Once American agriculture loses these markets to our foreign competitors, our reputation then as a reliable supplier is tarnished, making it difficult for us to regain these markets for future sales.

Our agricultural trade surplus totaled \$272 billion just 3 years ago in 1996. But this year, the U.S. Department of Agriculture projects that our ag trade surplus will have dwindled to approximately \$12 billion. Reversing this downward trend in the value of our exports through effective sanctions policy reform should be a top priority of this Congress. America's farmers demand it and they deserve it. We should be responsive.

The current slump in commodity prices makes significant sanctions policy reform even more timely and necessary. In fact, recent estimates calculate the cost of U.S. sanctions at \$15 to \$19 billion annually. These potential sales could give a significant boost to our rural economy, if only they were allowed by the Federal Government. Free and open international markets are vital to my home State. Illinois' farm products sales generate \$9 billion annually, and Illinois ranks third in this country in agricultural exports.

In fiscal year 1997 alone, Illinois agricultural exports totaled \$3.7 billion and created 57,000 jobs for the State of Illinois. Needless to say, agriculture makes up a significant portion of my State's economy, and a healthy export market for these products is important to all my constituents. For this reason, I am proud to cosponsor Senator ASHCROFT's amendment.

The amendment simply exempts food and medicine from unilateral sanctions, unless the President submits a report to Congress requesting that agriculture be sanctioned and the Congress approves the request by joint resolution. With commodity prices where they are, and with the Seattle round of trade negotiations looming on the horizon, we must act quickly to unbridle the farm economy from the tight reins of current U.S. sanctions policy.

Mr. President, I note that Senator ASHCROFT has crafted this amendment so that there are escape hatches that, in severe cases, the President, working with Congress, can, if he absolutely believes it necessary, go forward and maintain sanctions in a particular case and perhaps, in some cases, we in Congress will deem that advisable.

With that, I yield the floor.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

#### PRIVILEGE OF THE FLOOR

Mr. GRAHAM. Mr. President, I ask unanimous consent that Kim Alexander be granted floor privileges during the consideration of the Agriculture appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois, Mr. DURBIN.

Mr. DURBIN. Mr. President, I stand in support of the amendment offered by the Senator from Missouri, Mr. ASHCROFT. I have listened to the arguments of both sides to this point and have found them interesting. I certainly join Senator FITZGERALD in noting that Illinois is a great agricultural State. I have visited that State regularly over the past several months, including most recently on Monday, in Lincoln, IL, meeting with farmers who are, in fact, suffering from perhaps one of the worst price depressions that they have witnessed in decades. They need help. That is why the underlying bill, the Agriculture appropriations bill, and the emergency bill that is part of it, is so important.

It has been portrayed during the course of this debate that addressing the question of unilateral sanctions involving food and medicine exports from the United States will be of some assistance to the farmers. I think that is possible. But I have to concede that the countries we are talking about are generally so small as to not have a major impact on the agricultural exports of the United States.

I believe the Senator from New Jersey, who opposes this amendment, mentioned that we are talking about a potential export of 1.7 percent of our entire agricultural export budget. That is not the kind of infusion of purchasing in our agricultural economy that will turn it around. So I don't believe this amendment, in and of itself, is a major agricultural amendment, although it clearly will have some impact on agriculture. But I do believe it stands for a proposition that is worth supporting. Let me tell you why.

First, I believe that we have learned over the course of recent history that unilateral sanctions by the United States just don't work. When we decide on our own to impose sanctions on a country, it is usually because we are unhappy with their conduct, so we will stop trade or impose some sort of embargo to show our displeasure. You can understand that because some of the actions we have responded to were horrendous and heinous. The bombings of embassies and other terrorist acts raise the anger of the American people, and through their elected representatives, we respond with sanctions. That is understandable, and it is a natural human and political reaction.

I think we would have to concede that over time those unilateral sanctions have very little impact on the targeted country. In the time I have served on Capitol Hill, for about 17

years, I can only think of one instance where the imposition of sanctions had the desired result, and that, of course, was in the case of South Africa. It was not a unilateral sanction by the United States. We were involved in multilateral sanctions with other countries against the apartheid regime in South Africa, and we were successful in changing that regime.

But as you look back at the other countries we have imposed unilateral sanctions on, with the United States standing alone, you can hardly point to similar positive results. So I think we have learned a lesson well that merely imposing those sanctions alone seldom accomplishes the goals that we seek.

I do note, in reviewing this amendment by Senator ASHCROFT, as has been noted by others, he makes allowances for the United States to continue to impose unilateral sanctions under specific situations. Of course, if there is a declaration of war, and certainly if the President comes to Congress and asks that we impose sanctions for products which may in and of themselves be dangerous, such as high technology and the like, products which have been identified by the Department of Commerce as being dangerous to America's best interests.

I applaud the Senator from Missouri for making those provisions. It gives any administration the wherewithal to impose unilateral sanctions in extraordinary cases. But I understand this amendment to suggest that if we are not dealing with extraordinary cases, we should basically be willing to sell food and medicine to countries around the world.

I have found it interesting that my colleagues who oppose this amendment have come to the floor to describe these potential trading partners as tyrants, dictators, and terrorist states. One of the Senators came to the floor with graphic presentations of some of the dictators in these countries. Not a single person on the floor this evening would make any allowance for the terrible conduct by some of these terrorist regimes. But I must remind my colleagues during the course of this debate that, after World War II, we were engaged in a cold war that went on for almost five decades, which involved the Soviet Union and China. During that cold war, some terrible things occurred involving those countries and the United States.

We expended trillions of dollars defending against the Soviet Union and trying to stop the expansion of communism. We decided they were our major target, and so many debates in the Senate and in the House were predicated on whether or not we were stopping, or in any way aiding, the growth of communism.

Despite this cold war's intensity, which more or less monopolized foreign relations in the United States for half of this century, we found ourselves during that same period of time trading and selling food to Russia, the Soviet

Union, and selling foodstuffs to China and other countries. I guess we adopted the premise that former Senator Hubert Humphrey used to say should guide us when it comes to this economy. We asked him whether he would sell food to the Communists and he said, "I will sell them anything they can't shoot back at me." I think it was a practical viewpoint that, when it gets down to it, we are not the sole suppliers of food in the world. For us to cut off food supplies to any given country is no guarantee they will starve. In fact, they can turn to other resources.

So those who would say to us we should impose unilateral sanctions on a country such as Cuba, I think, have forgotten the lesson of history that, not that long ago, we were selling wheat to Russia at a time when we were at the height of the cold war. I think that is a lesson in history to be remembered.

The second question is whether or not we should, as a policy, exempt food and medicine when it comes to any sanctions. I believe that is the gravamen of the amendment offered by the Senator from Missouri. I think he is right. I say to those who believe that by imposing unilateral sanctions involving the sale of food and medicine from the United States on these dictatorial regimes we will have some impact, please take a look at the pictures of the dictators that you presented for us to view this evening.

Now, I have been watching Mr. Castro in the media for over 40 years and I don't see him thin and emaciated or malnourished. He seems to be finding food somewhere, as do many other people in states where we have our differences. But I do suspect that when you get closer to the real people in these countries, you will find they are the ones who are disadvantaged by these sanctions on food and medicine.

Let me tell you, there was a report issued 2 years ago by the American Association for World Health, "Denial of Food and Medicine: The Impact of the U.S. Embargo on Health and Nutrition in Cuba." It concluded that:

The U.S. embargo of Cuba has dramatically harmed the health and nutrition of large numbers of ordinary Cubans.

The report went on to say:

The declining availability of foodstuffs, medicines, and such basic medical supplies as replacement parts for 30-year-old x-ray machines is taking a tragic human toll. The embargo has closed so many windows that, in some instances, Cuban physicians have found it impossible to obtain life-saving machines from any source under any circumstances. Patients have died.

I quote from a letter I received from Bishop William Purcell from the Diocese of Chicago who told me his experience in visiting villages.

He said:

I was especially struck by the impact of the American embargo on people's health. We saw huge boxes of expired bill samples in a hospital. Other than those, the shelves of the pharmacy were almost bare. We talked with patients waiting for surgeons who could

not be operated upon because their X ray machines from Germany had broken down. A woman was choking from asthma from lack of inhaler.

I hope you will pay particular attention to this. The bishop says:

At the AIDS center, plastic gloves had been washed and hung on a line to dry for reuse. The examples of people directly suffering from the impact of our government's policy after all of these years was sad and embarrassing to see.

That was in the letter he sent to me. But many other religious groups in the United States have reached the same conclusion. The U.S. Catholic Conference and others have termed our policy with Cuba "morally unacceptable."

I don't come to the floor today to in any way apologize or defend the policies of Fidel Castro in Cuba or for shooting the plane down in 1997. That was a savage, barbaric act. No excuse can be made for that type of conduct. But when we try to focus on stopping the conduct of leaders such as Castro by imposing sanctions that embargo food and medicine, I don't think we strike at the heart of the leadership of these countries. Instead, we strike at poor people—poor people who continue to suffer.

Many folks on this floor will remember the debate just a few weeks ago when we were shocked to learn that India and Pakistan had detonated nuclear devices. This was a dramatic change in the balance of power in the world, with two new entries in the nuclear club. Countries which we suspected were developing nuclear weapons had in fact detonated them to indicate that our fears were real.

Under existing law, we could have imposed sanctions on India and Pakistan at that time to show our displeasure. We did not. We made a conscious decision to vote in the Senate not to do that. We concluded, even at the risk of nuclear war in the subcontinent, that it was not in our best interests or smart foreign policy to impose these sanctions.

So you have to ask yourself, why do we continue to cling to this concept when it comes to Cuba, that after some 40 years this is the way we are going to change the Cuban regime?

I think the way to change the regime in Cuba and many other countries has been demonstrated clearly over the last decade. Think about the Berlin Wall coming down and the end of communism in Eastern Europe. It had as much to do with the fact that we opened up these countries after years of isolation. Finally, these countries saw what the rest of the world had to offer. They understood better what life-style and quality of life meant in the Western part of the world, and when they compared that to the Communist regime, they started racing for democracy.

That, to me, is an indication of what would also happen in Cuba. If we start opening up trade in food and medicine

and other relations with that country, I predict that we would have much more success in bringing down an objectionable regime than anything we have done over the past four decades.

We have learned the lesson from the cold war. We know you cannot bring a country to its knees by denying export of food and medicine. We should also know that the best way to end dictatorial and totalitarian regimes is to open trade, open commerce, and open channels of communication.

The amendment that has been offered by the Senator from Missouri is an attempt to address not only the agricultural crisis that faces America but, from my point of view, a much more sensible approach to a foreign policy goal which all Americans share.

Let us find ways to punish the terrorists and punish those guilty of wrongdoing. But let us not do it at the expense of innocent people, whether they are farmers in the United States or populations overseas which are the unwitting pawns in this foreign policy game.

I support this amendment. I hope my colleagues will join in that effort.

I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DODD. Mr. President, I thank the Chair.

I join with my colleague, Senator ASHCROFT, and others in urging the adoption of this amendment with respect to exempting exports of food and medicine from U.S. sanctions regimes.

Mr. President this amendment is quick, simple, and straight forward—it would exempt donations and sales of food, other agricultural commodities, medicines and medical equipment from being used as an economic weapon in conjunction with the imposition of unilaterally imposed economic sanctions.

Since last year, we have heard about the serious economic crisis that confronts America's heartland and is bankrupting American farm families. Not only do American farm families have to worry about weather and other natural disasters which threaten their livelihood. They also must worry about actions of their own government which can do irreparable harm to the farm economy by closing off markets to American farm products because we happen to dislike some foreign government official or some policy action that has been taken. Time and time again unilateral sanctions on agricultural products have cost American farmers important export markets. Time and time again the offending official remains in power or the offensive policy remains in effect.

On July 23 of last year, President Clinton stated that "food should not be used as a tool of foreign policy except under the most compelling circumstances." On April 28 of this year, the Clinton Administration took some long overdue steps toward bringing U.S. practice in this area into conformity with the President's pro-

nouncement. It announced that it would reverse existing U.S. policy of prohibiting sales of food and medicine to Iran, Libya, and Sudan—three countries currently on the terrorism list.

In announcing the change in policy, Under Secretary of State Stuart Eizenstat stated that President Clinton had approved the policy after a two-year review concluded that the sale of food and medicine "doesn't encourage a nation's military capability or its ability to support terrorism."

I am gratified that the administration has finally recognized what we determined some time ago, namely that "sales of food, medicine and other human necessities do not generally enhance a nation's military capacities or support terrorism." On the contrary, funds spent on agricultural commodities and products are not available for other, less desirable uses.

Regrettably, the Administration did not include Cuba in its announced policy changes. It seems to me terribly inconsistent to say that it is wrong to deny the children of Iran, Sudan and Libya access to food and medicine, but it is all right to deny Cuban children—living ninety miles from our shores, similar access. The administration's rationale for not including Cuba was rather confused. The best I can discern from the conflicting rationale for not including Cuba in the announced policy changes was that policy toward Cuba has been established by legislation rather than executive order, and therefore should be changed through legislative action.

I disagree with that judgement. However, in order to facilitate the lifting of such restrictions on such sales to Cuba, and to prevent such sanctions from being introduced against other countries in the future, I have joined with Senators ASHCROFT, HAGEL, ROBERTS, LEAHY and others in offering the amendment that is currently pending. Not only would it codify in law the administration's decision with respect to Iran, Libya, and Sudan, it would also create a politically viable way for such sanctions to be lifted from Cuba, unless the President and the Congress both take the affirmative step of acting to keep them in place.

What about those who say that it is already possible to sell food and medicine to Cuba? To those people I would say, "if that is what you think, then you should have no problem supporting this legislation."

However, I must tell you, Mr. President, that the people who say that are not members of the U.S. agricultural or pharmaceutical industries. Ask any representative of a major drug or grain company about selling to Cuba and they will tell you it is virtually impossible.

The Administration's own statistics speak for themselves. Department of Commerce licensing statistics prove our point:

Between 1992 and mid-1997, the Commerce Department approved only 28 li-

censes for such sales, valued at less than \$1 million, for the entire period. In 1998, following the introduction of procedures to "expedite license reviews" Commerce reported that, three licenses valued at \$19 million were approved, however no exports occurred because of difficulties with on-site verification requirements.

Even if these three exports had occurred, the assistance being provided to the Cuban people would be minuscule. To give you some perspective: prior to the passage of the 1992 Cuba Democracy Act which shut down U.S. food and medicine exports, Cuba was importing roughly \$700 million of such products on an annual basis from U.S. subsidiaries.

Moreover, since Commerce Department officials do not follow up on whether proposed licenses culminate in actual sales, the high water mark for the export of U.S. medicines to Cuba over a four and one half year period doesn't even represent roughly .1% of the exports of U.S. food and medicines that took place prior to 1992.

For these reasons we feel strongly that the complexities of the U.S. licensing process, coupled with on-site verification requirements, serve as de facto prohibitions on U.S. pharmaceutical companies doing business with Cuba. Do we really believe that aspirin or bandaid are possible instruments of torture that mandate the U.S. companies have in place a costly on-site verification mechanism to monitor how each bottle of aspirin is dispensed?

I cannot come up with a rationale for arguing that we are on strong moral grounds in barring access to American medicines and medical equipment. American pharmaceutical companies and medical equipment manufacturers are dominant in the international market place with respect to development and production of state of the art medicines and equipment. In some cases there are no other foreign suppliers that make comparable products—particularly in the case of the most life threatening diseases such as cancer.

How can we justify denying innocent people access to drugs that could save them or their children's lives. How can we justify prohibiting access to vaccines that ensure the protection of the public health of an entire country or large segments thereof, simply because we disagree with their government leaders? I don't believe we should.

Food sales to Cuba continue to be prohibited as well, despite the so called January measures promulgated by the Clinton Administration. At that time, the outright prohibition on the sale of food was modified to provide a narrow exception to that prohibition. With the change in regulations, the Commerce Department will now consider licensing, on a case-by-case basis, sales of food "to independent non-government entities in Cuba, including religious groups, private farmers and private sector enterprises such as restaurants."



For those of my colleagues who have any knowledge about the Cuban economy they will immediately know that this translates into virtually zero sales of food to Cuba. Yes, there are some private restaurants in Cuba—so called paladares—but they are run out of family homes serving at most ten to twelve people at lunch and dinner on a daily basis. These small operations are hardly in any position logistically or financially to contract with foreign exporters, navigate U.S. and Cuban customs in order to arrange for U.S. shipments to be delivered to their restaurants—shipments that are otherwise barred to the Cuban government. Who are we kidding when we say it is possible to sell food in the current regulatory environment.

I don't believe except in the most limited of circumstances that we should deny food and medicine to anyone. I take strong exception to argument that we are doing it for the good of the Cuban people or the Libyan people—that we are putting pressure on authorities to respect human rights in doing so.

The highly respected human rights organization, Human Rights Watch—a severe critic of the Cuban government's human rights practices—recently concluded, that the “(U.S.) embargo has not only failed to bring about human rights improvements in Cuba,” it has actually “become counterproductive” to achieving that goal.

America is not about denying medicine or food to the people in Sudan, in Libya, or in Iran, and it shouldn't be about denying food and medicine to the Cuban people either, certainly not my America.

Let me be clear—I am not defending the Cuban government for its human rights practices or some of its other policy decisions. I believe that we should speak out strongly on such matters as respect for human rights and the treatment of political dissidents. But U.S. policy with respect to Cuba goes far beyond that—it denies eleven million innocent Cuban men, women and children access to U.S. food and medicine.

That is why I hope my colleagues will support this amendment and restrict future efforts to water down its scope.

The United States stands alone among all of the nations of the world as an advocate for respecting the human rights of all peoples throughout the globe. In my view denying access to food and medicine is a violation of international recognized human rights and weakens the ability of the United States to advocate what is otherwise a very principled position on this issue. It is time to return U.S. policy to the moral high ground.

Mr. President, I commend my colleague from Missouri, Mr. ASHCROFT, and Senator HAGEL, Senator FITZGERALD, Senator CRAIG, Senator LINCOLN, Senator CONRAD, Senator BROWNBACK, the Presiding Officer, Senator

WARNER, and all of the others who are cosponsors of this amendment.

It is a very solid, thoughtful, precise amendment that principally, of course, allows us to be involved as a legislative branch if unilateral sanctions are going to be imposed. That is not a radical idea. We have seen the effects of the importance and the significance of unilateral sanctions.

Certainly those who represent the farm community can speak not just theoretically about this but in practice as to the damage that can be done. It certainly is hard enough to have to face weather conditions, drought, and floods. But when you have to also face unilateral decisions that deny your community the opportunity to market in certain areas, that can make the life of a farm family even more difficult.

I happen to agree with my colleague from Illinois, Senator DURBIN, and others who have made the case that if we are truly interested in creating change, it is not in the interest of our own Nation to take actions which would deny innocent people—be they the 11 million innocent people who live 90 miles off our shore in Cuba, or in other nations—the opportunity to benefit from the sale of medicine and food supplies that can improve the quality of their life.

It is radical, in my view, to impose that kind of a sanction, particularly unilaterally. That is not my America. My America says we will do everything we can to get rid of dictators and to change governments which deny their people basic rights. But my America doesn't say to the innocents who live in these countries that if we have food that can make you stronger, if we have medicine that can make you healthier, we are going to deny the opportunity for the average citizens of these countries to have access to these products through sale. That is not my America.

I live in a bigger, a larger country, which has stood as a symbol of understanding, of human decency, and of human kindness, even with adversaries that have taken the lives of our fellow citizens—in a Vietnam, in a Germany, in other nations around the globe. My America, a big America, at the end of those conflicts has reached out to people in these nations to get them back on their feet again.

Today, I say to you that in these countries around the globe that still, unfortunately and regretfully, use the power of their institutions to impose human rights violations, we will do everything in our power to change these governments but we will not deny these people food and we will not deny them medicines through sale.

That is what Senator ASHCROFT, Senator HAGEL, and others are trying to achieve. I think it is a noble cause and one we ought to bring Democrats and Republicans together on in common effort and in common purpose to change the system that is fundamentally wrong and a denial of the fundamental things that we stand for as a people.

That does not suggest in any way that we applaud, or agree with, or

back, or in any way want to sustain the policies of Fidel Castro, or the leader of Sudan, or Iran, or Lybia. It says that when unilateral sanctions are being imposed, we ought to have some say in all of that, and we don't believe generally that the imposition of unilateral sanctions, except under unique circumstances which the Senator from Missouri and his cosponsors have identified in this bill, ought to deny people in these countries—the average citizen—the benefit of our success in food and medicine. I applaud them for their efforts. I am delighted to be a cosponsor of their amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Thank you very much, Mr. President.

Mr. President, I rise in strong support for the Ashcroft food and medicine sanctions reform amendment. While I would prefer this amendment addressed all unilateral sanctions, not just food and medicine, I support the amendment as a good start to reforming our sanctions policy. As a cosponsor of the Lugar Sanctions Reform Act, I believe it is long overdue that the administration and the Congress think before we sanction.

It makes no sense to punish the people of a country with which we have a dispute. Denying food and medicine does nothing to penalize the leaders of any country. Government leaders can always obtain adequate food and medicine, but people suffer under these sanctions, whether they are multilateral or unilateral. Those two areas should never be a part of any sanction.

At the same time our farmers suffer from the lingering effects of the Asian financial crisis as well as those in other areas of the world, we either have, or are debating, sanctions that further restrict markets for our farmers and medical supply companies. And denies that food and medical supplies to some of the world's most needy.

Since most of our sanctions are unilateral, it makes no sense to deny our farmers and workers important markets when those sales are being made by our allies.

I need not remind any of you that we are still experiencing the aftermath of the Soviet grain embargo of the late 1970's when the United States earned a reputation as an unreliable supplier.

Another example of how we have harmed our farmers is the Cuban embargo. For 40 years this policy was aimed at removing Fidel Castro—yet he is still there. This is a huge market for midwestern farmers, yet it is shut off to us. Because Cuba has fiscal problems, many of its people are experiencing hardship. Those who have relationships with Cuban-Americans receive financial support, but those who don't need access to scarce food and medical supplies. This bill does not aid the government, as U.S. guarantees can only be provided through NGO's and the private sector not armies, not

to terrorists. Currently, donations are permitted, as well as sales of medicine, but they are very bureaucratically difficult to obtain, and they don't help everyone. Our farmers are in a good position to help and they should be allowed to do so.

I applaud Senators ASCHROFT and HAGEL for their work to ensure farmers and medical companies will not be held hostage to those who believe sanctions can make a difference. Any administration would have to get congressional approval for any food and medicine sanction. This is our best opportunity to help farmers and provide much-needed food supplies to the overage people in these countries, and to show the world we are reliable suppliers. I urge the support of my colleagues for this long overdue amendment. I yield the floor.

The PRESIDING OFFICER (Mr. ALLARD). The Senator from Florida.

Mr. GRAHAM. Mr. President, it is my intention to raise a point of order. Before I do so, I will provide some context.

We have entered into a unanimous consent agreement to govern the disposition of this legislation. That unanimous consent agreement states that during the consideration of the agricultural appropriations bill, when the Democratic leader or his designee offers an agricultural relief amendment, no rule XVI point of order lie against the amendment or amendments thereto relating to the same subject.

The question is, Does this amendment to the amendment offered by the Democratic leader on agricultural relief constitute an amendment relating to the same subject? Let me anticipate what might be considered by the Parliamentarian.

In the underlying amendment, there is reference made to two agricultural programs: The Agricultural Trade Development and Assistance Act of 1954 and section 416 of the Agricultural Act of 1949. Both of those statutes are again referenced in the amendment that has been offered by the Senator from Missouri.

Where are they offered in the amendment offered by the Senator from Missouri? They are offered in the section of the amendment which is the definitions, so they are stated to be agricultural programs and then listed in the definition section.

I can find no other reference to those specific statutes other than in the definition section, raising the question as to whether they were inserted in the definition section in order to attempt to overcome what was the clear purpose of the unanimous consent agreement, which was to provide a narrow exception to the rule XVI prohibition against legislating on an appropriations bill.

Even beyond that, I point out on page 6, in one of the most significant provisions of this amendment, the provision that relates to countries supporting international terrorism, the only po-

tential relevance of defining those pieces of legislation is to exclude them from the operation of this amendment. So they are put in the definition section so they can be removed from the operation of this amendment on page 6. Clearly, in my opinion, that is a specious attempt to gain the advantage of the unanimous consent agreement.

One final point. During the colloquy I had with the Senator from Missouri, I think he was quite candid in saying that the purpose of that support for the international terrorism section was to draw a distinction between commercial sales of agricultural and medical products, which were approved under this amendment, could be made without any of the existing conditions such as a license, and sales that were made on a humanitarian basis through one of these various U.S. trade or export of agricultural products provisions which continued to be prohibited.

We have the ironic circumstance that the humanitarian provision is prohibited but commercial sales are rendered acceptable by this amendment.

Yet in the headline, the footnote, the summary of this amendment, by a handwritten insertion, the prepositional phrase is inserted which says "for humanitarian assistance." The purpose of inserting that specific reference is clearly just to establish the most tenuous connection to the underlying bill and to attempt to create the facade that this amendment has something to do with humanitarian assistance, where, by the very description of the Senator from Missouri, it is for commercial, not assisted humanitarian agricultural, sales.

Mr. President, with that description of what I think the amendment is, what the underlying amendment and what the purpose of the unanimous consent agreement was, which was a narrow exception for agricultural relief amendments and amendments to that amendment which related to the same subject, since this fails to meet that standard, I raise the point of order under rule XVI that this amendment constitutes, clearly, explicitly, legislation on an appropriations bill and therefore, under rule XVI, is out of order.

The PRESIDING OFFICER. The agreement precludes making a point of order for an amendment that is considered relevant. This is considered a relevant amendment.

Mr. HELMS. Mr. President, inasmuch as the amendment of the Senator from Missouri, however well intentioned, would have the effect of lifting restrictions on trade with terrorist states or governments and would allow trade with the coercive elements of these repressive, hostile, regimes, I move to table the amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from New Mexico (Mr. DOMENICI) is necessarily absent.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KENNEDY) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 28, nays 70, as follows:

[Rollcall Vote No. 251 Leg.]

#### YEAS—28

Bryan	Kyl	Santorum
Bunning	Lautenberg	Sarbanes
Byrd	Lieberman	Smith (NH)
Coverdell	Lott	Snowe
DeWine	Mack	Stevens
Graham	McCaIn	Thompson
Gramm	McConnell	Thurmond
Gregg	Murkowski	Torricelli
Helms	Reid	
Kohl	Robb	

#### NAYS—70

Abraham	Dorgan	Leahy
Akaka	Durbin	Levin
Allard	Edwards	Lincoln
Ashcroft	Enzi	Lugar
Baucus	Feingold	Mikulski
Bayh	Feinstein	Moynihan
Bennett	Fitzgerald	Murray
Biden	Frist	Nickles
Bingaman	Gorton	Reed
Bond	Grams	Roberts
Boxer	Grassley	Rockefeller
Breaux	Hagel	Roth
Brownback	Harkin	Schumer
Burns	Hatch	Sessions
Campbell	Hollings	Shelby
Chafee	Hutchinson	Smith (OR)
Cleland	Hutchison	Specter
Cochran	Inhofe	Thomas
Collins	Inouye	Voinovich
Conrad	Jeffords	Warner
Craig	Johnson	Wellstone
Crapo	Kerrey	Wyden
Daschle	Kerry	
Dodd	Landrieu	

#### NOT VOTING—2

Domenici Kennedy

The motion was rejected.

Mr. COCHRAN. I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BURNS. Mr. President, I rise today as an individual who has spent his entire life involved in agriculture. I am extremely concerned about the current state of the agricultural economy. Farmers and ranchers in my state of Montana and across America cannot afford another year of zero profit. Price declines for agricultural commodities have had a devastating impact on agricultural producers in Montana and the economy of the entire state, which depends so heavily on agriculture. The farmers and ranchers in Montana have suffered too much already. With continued low prices, many agricultural producers have been forced to sell the farms and ranches many have spent their entire lives working.

They seem to have all the cards stacked against them. Agricultural producers face high numbers of imports

as well as a downward trend in demand for their product. Further, the world market is not providing adequate opportunities for international trade. The European Union continues to place non-scientific trade barriers on U.S. beef as well as bans on Genetically Modified grain products. Asia, usually a strong export market, continues to recover from the economic flu and many of our other trade partners have been subjected to sanctions by this administration. Additionally, the value of beef and grain imports have decreased dramatically as a percent of the world market.

Montana may not be able to survive another year of this economic plight. If market prices continue to go down as they have, I am fearful that more farmers and ranchers will be forced out of business. If a drastic measure is not passed in Congress this year, I don't know how much longer the agricultural community can persevere.

As I said before, the impact is not limited to those working the fields or raising livestock. Look at Main Street, Rural America. The agricultural economy is so bad that other businesses are failing as well. And not just agri-business. No longer is it just the livestock feed store or seed companies that are failing due to the economic crunch. It reaches much further. All kinds and types of businesses are feeling the depressed agricultural economy. Montana is ranked in the bottom five per capita income by state, in the nation.

Ironically, I also read recently that Montana is rated in a nationwide poll as the 7th most desirable place to live in America. That won't be the case much longer if we can't return more of the economic dollar to the agricultural producer. Montana is a desirable place to live because of agriculture. Without the wheat fields and grazing pastures, Montana loses its very being. Without the return of more of the economic dollar to the agricultural producer there will be no more farming or ranching and consequently no more wheat fields or pastures to graze livestock.

I have used the comparison before of the agricultural producer drowning. I believe he is. The way I see it, the farmer is drowning in a sea of debt and many in Congress want to continue to send lifeboats. The problem is, that once the producer makes it into the boat he never makes it to shore. He just keeps paddling trying to keep his head above water, and waiting for the next boat.

I want the farmer to get back to land and on his feet. We have to provide them the oars to get to shore and then keep them out of the water. I would like to see a strong agriculture assistance package passed and then a base for long-term benefits, in the form of laws on country of origin labeling, crop insurance reform and mandatory price reporting.

My Montana farmers and ranchers need help now. They need a package that provides solid short-term assist-

ance. They need AMTA payments at 100% to bring the price of wheat per bushel to a price that will allow them to meet their cost-of-production. Additionally, they need funding for specialty crops, sugar and livestock.

I don't agree with many of the provisions included in the Democratic package. Funding for cotton and peanuts does not help my agricultural producers. Neither does \$300 million for the Step 2 cotton program. These provisions bump the price tag up significantly and seem to help other areas of the country more than the Northwest.

However, all agriculture is in dire straits. Montana needs funding and they need it fast. Thus, I will vote for the package that gets that money to my producers as quickly as possible.

I believe that AMTA is the most effective way to distribute the funding that grain producers need. The Republican package contains 100% AMTA payments, which will bring the price of wheat up to \$3.84. It also contains important provisions for specialty crops, lifts the LDP cap and encourages the President to be more aggressive in strengthening trade negotiating authority for American agriculture.

Freedom to Farm needs a boost. It is a good program, but simply cannot provide for the needs of farmers and ranchers during this kind of economic crunch. From 1995 to 1999, \$50.9 billion have been distributed as direct payments. This tells us that commodity prices are not going up. Farmers and ranchers are not doing better on their net income sheets.

We need to let Freedom to Farm work. I believe it will. When more of the economic dollar is returned to the producer and when the farmer or rancher receives a price for commodities that meet the cost-of-production. For now, we must keep the agricultural producer afloat. An assistance measure which will provide them a means to stay in business at a profitable level is the only way to do that this year.

Mr. MCCAIN. Mr. President, as I travel around the country, I see the devastation caused by the ongoing drought in many sections of the country. Crops are stunted and dying, fields are dusty, streams and lakes are drying up. Many farmers are still reeling from the effects of last year's Asian economic crisis. Clearly, some form of assistance is needed to prevent the demise of more of America's family farms, and I support efforts to provide needed government aid to farmers and their families.

Both pending proposals specify that aid to farmers is to be considered emergency spending, which is not counted against the budget caps. Mr. President, again, I recognize the dire circumstances that have many Americans in the agriculture industry facing economic ruin. However, already this year, the Senate has approved appropriations bills containing \$7.9 billion in wasteful and unnecessary spending.

Surely, among these billions of dollars, there are at least a few programs that we could all agree are lower priority than desperately needed aid for America's farmers.

My colleagues should be aware that every dollar spent above the budget caps is a dollar that comes from the budget surplus. This year, the only surplus is in the Social Security accounts, so this farm aid will be paid for by further exacerbating the impending financial crisis in the Social Security Trust Funds. And every dollar that is spent on future emergencies comes from the surplus we just promised last week to return to the American people in the form of tax relief. It is the same surplus that we have to use to shore up Social Security and Medicare, and begin to pay down the national debt.

Unfortunately, though, it seems to be easier to slap on an emergency designation, rather than try to find lower priority spending cuts as offsets.

Once again, Mr. President, Congress is taking its usual opportunistic approach to any disaster or emergency—adding billions of dollars in non-emergency spending and policy proposals to the emergency farm aid proposals.

The competing amendments pending before the Senate contain provisions that provide special, targeted relief to certain sectors of the agricultural community. For example, in addition to the billions of dollars of assistance payments for which all farmers would be eligible:

Both proposals single out peanut producers for special direct payments to partially compensate them for low prices and increasing production costs.

The Republican proposal also provides \$50 million to be used to assist fruit and vegetable producers, at the Secretary of Agriculture's discretion.

Both proposals give the Secretary of Agriculture broad authority to provide some kinds of assistance to livestock and dairy producers, the only difference being the amount of money set aside for this unspecified relief. The Democrats set aside \$750 million, the Republicans \$325 million.

Both proposals set up more restrictive import quotas and new price supports for cotton producers.

Both proposals provide \$328 million in direct aid for tobacco farmers.

The Republican proposal also specifically targets \$475 million for direct payments to oilseed producers, most of which is to be paid to soybean producers.

The Democrat proposal, which is about \$3 billion more expensive than the Republican proposal, expands to address non-agricultural disaster-related requirements, such as wetlands and watershed restoration and conservation, short-term land diversion programs, and flood prevention projects. It also establishes a new \$500 million disaster reserve account, in anticipation of future disasters, I assume. But the proposal then adds a number of very narrowly targeted provisions and

provisions wholly unrelated to the purposes of aiding economically distressed farmers, including:

- \$40 million for salaries and expenses of the Farm Service Agency, apparently to administer \$100 million in new loan funds;
- \$100 million for rural economic development;
- \$50 million for a new revolving loan program for farmer-owned cooperatives;
- \$4 million to implement a new mandatory price reporting program for livestock;
- \$8 million for a new product labeling system for imported meat;
- \$1 million for rapid response teams to enforce the Packers and Stockyards Act; and finally,
- \$15 million for a Northeast multispecies fishery.

These provisions have no place in a bill to provide emergency assistance to America's farmers. There is an established process for dealing with spending and policy matters that are not emergencies. It is the normal authorization and appropriations process, where each program or policy can be assessed as part of a merit-based review. Many of the provisions I have listed above may very well be meritorious and deserving of support and funding, but the process we are following here today does not provide an appropriate forum for assessing their relative merit compared to the many other important programs for which non-emergency dollars should be made available. I think even some of the potential recipients of these non-emergency programs would agree that they should be considered in the normal appropriations and authorization processes.

There is one special interest provision of the Republican proposal that I would like to discuss further and that I intend to address directly in an amendment later in the debate. The Republican proposal gives the already heavily subsidized sugar industry one more perk—relief from paying a minuscule assessment of just 25 cents on each 100 pounds of sugar. This tiny tax raised just \$37.8 million last year, and was supposed to be the sugar industry's sole contribution to reducing annual budget deficits. Thanks to their successful lobbying, for the next three years, big sugar will not have to pay this assessment if the federal government has a budget surplus. While the assessment was initially imposed to help reduce annual budget deficits, which fortunately have been eliminated as a result of the Balanced Budget Act, what about the \$5.6 trillion national debt?

This little bit of targeted tax relief for big sugar comes on top of a \$130 million per year government-subsidized loan program for sugar producers, and price supports that cost American consumers over \$1.4 billion a year in higher sugar prices at the store. The sponsors of the proposal make no claim that this provision is in any way related to a disaster or drought-related economic crisis in the sugar industry that would merit its inclusion in this

emergency farm aid bill. Its inclusion simply adds one more perk to the already broad array of special subsidies for big sugar companies.

I intend to offer an amendment later during the debate on this bill to terminate taxpayer support of the sugar industry. If the Republican farm aid proposal is adopted, as I expect it will be, I will include in my amendment a proposal to strike this newly created perk for big sugar.

Mr. President, I am going to support the more modest Republican proposal, regardless of the outcome of my amendment to eliminate the inequitable and unnecessary sugar subsidies. But I do so only because of the real economic hardship faced by many of our nation's farmers and their families.

I abhor the continuing practice of attaching pork-barrel spending to any and every bill that comes before the Senate, especially when real disasters are cynically exploited to designate pork as emergency spending. This kind of fiscal irresponsibility undermines the balanced budget and hinders debt reduction efforts, exacerbates the need to preserve and protect Social Security and Medicare, and threatens efforts to provide meaningful tax relief to American families.

Once again, I can only hope that the final farm aid proposal will be targeted only at those in need—America's farmers. I urge the conferees on this legislation to eliminate the provisions that solely benefit special interests who have once again managed to turn needed emergency relief into opportunism. I also urge the conferees to seek offsets for the additional spending in this bill, to avoid again dipping into the Social Security surplus and putting our balanced budget at risk.

Mr. LOTT. Mr. President, for the information of all Senators, there will be no further votes this evening. The discussion regarding the dairy issue will occur from 9 a.m. until 9:40 a.m. on Wednesday, with the cloture vote occurring at approximately 9:45 a.m.

Assuming cloture is not invoked on Wednesday morning, I anticipate the Senate will resume consideration of the pending Ashcroft amendment, which is an amendment to the disaster amendment by Senators HARKIN and DASCHLE.

Also, if an opportunity does present itself, I understand that there will be another disaster-related amendment by Senator ROBERTS and Senator SANTORUM. Of course, that will be in line behind the other amendments because of procedure. But at the appropriate time there is a plan by those two Senators, and others, to offer another amendment.

#### MORNING BUSINESS

Mr. LOTT. Having said that, I now ask unanimous consent that there be a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I yield the floor, Mr. President.

Mr. ASHCROFT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### PRIVILEGE OF THE FLOOR

Mr. GRAHAM. Mr. President, I ask that Mr. Sean McCluskie, Mr. Adam Foslid, and Ms. Brooke Russ of my office be granted the privilege of the floor for the duration of the Agriculture appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

##### EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

#### MESSAGES FROM THE HOUSE

At 2:30 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills, with amendment, in which it requests the concurrence of the Senate:

S. 606. An act for the relief of Global Exploration and Development Corporation, Kerr-McGee Corporation, and Kerr-McGee Chemical, LLC (successor to Kerr-McGee Chemical Corporation), and for other purposes.

S. 1257. An act to amend statutory damages provisions of title 17, United States Code.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 211. An act to designate the Federal building and United States courthouse located at West 920 Riverside Avenue in Spokane, Washington, as the "Thomas S. Foley Federal Building and United States Courthouse," and the plaza at the south entrance of such building and courthouse as the "Walter F. Horan Plaza."

H.R. 695. An act to direct the Secretary of Agriculture and the Secretary of the Interior to convey an administrative site in San Juan County, New Mexico, to San Juan College.

H.R. 747. An act to protect the permanent trust funds of the State of Arizona from erosion due to inflation and modify the basis on

which distributions are made from those funds.

H.R. 1094. An act to amend the Federal Reserve Act to broaden the range of discount window loans which may be used as collateral for Federal reserve notes.

H.R. 1104. An act to authorize the Secretary of the Interior to transfer administrative jurisdiction over land within the boundaries of the Home of Franklin D. Roosevelt National Historic Site to the Archivist of the United States for the construction of a visitor center.

H.R. 1152. An act to amend the Foreign Assistance Act of 1961 to target assistance to support the economic and political independence of the countries of the South Caucasus and Central Asia.

H.R. 1219. An act to amend the Office of Federal Procurement Policy Act and the Miller Act, relating to payment protections for persons providing labor and materials for Federal construction projects.

H.R. 1442. An act to amend the Federal Property and Administrative Services Act of 1949 to continue and extend authority for transfers to State and local governments of certain property for law enforcement, public safety, and emergency response purposes.

H.R. 2454. An act to assure the long-term conservation of mid-continent light geese and the biological diversity of the ecosystem upon which many North American migratory birds depend, by directing the Secretary of the Interior to implement rules to reduce the overabundant population of mid-continent light geese.

H.R. 2614. An act to amend the Small Business Investment Act to make improvements to the certified development company program, and for other purposes.

H.R. 2615. An act to amend the Small Business Act to make improvements to the general business loan program, and for other purposes.

The message further announced that the House disagrees to the amendment of the Senate to the bill (H.R. 2488) to provide for reconciliation pursuant to sections 105 and 211 of the concurrent resolution on the budget for fiscal year 2000, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints the following members as managers of the conference on the part of the House:

For consideration of the House bill, and the Senate amendment, and modifications committed to conference: Mr. ARCHER, Mr. ARMEY, Mr. CRANE, Mr. THOMAS, Mr. RANGEL, and Mr. STARK.

As additional conferees for consideration of sections 313, 315-16, 318, 325, 335, 338, 341-42, 344-45, 351, 362-63, 365, 369, 371, 381, 1261, 1305, and 1406 of the Senate amendment, and modifications committed to conference: Mr. GOODLING, Mr. BOEHNER, and Mr. CLAY.

The message also announced that pursuant to the provisions of section 591(a)(2) of the Foreign Operation, Export Financing, and Related Programs Appropriations Act, 1999 (112 Stat. 2681-210) the Minority Leader appoints the following individuals to the National Commission on Terrorism: Ms. Juliette N. Kayyem of Cambridge, Massachusetts.

#### ENROLLED BILL SIGNED

At 4:05 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading

clerks, announced that the Speaker has signed the following enrolled bill:

S. 880. An act to amend the Clean Air Act to remove flammable fuels from the list of substances with respect to which reporting and other activities are required under the risk management plan program, and for other purposes.

The enrolled bill was signed subsequently by the President pro tempore (Mr. THURMOND).

At 6:20 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 2587) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints the following members as managers of the conference on the part of the House:

Mr. ISTOOK, Mr. CUNNINGHAM, Mr. TIAHRT, Mr. ADERHOLT, Mrs. EMERSON, Mr. SUNUNU, Mr. YOUNG of Florida, Mr. MORAN of Virginia, Mr. DIXON, Mr. MOLLOHAN, and Mr. OBEY.

#### MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 1094. An act to amend the Federal Reserve Act to broaden the range of discount window loans which may be used as collateral for Federal reserve notes; to the Committee on Banking, Housing, and Urban Affairs.

H.R. 1442. An act to amend the Federal Property and Administrative Services Act of 1949 to continue and extend authority for transfers to State and local governments of certain property for law enforcement, public safety, and emergency response purposes; to the Committee on Governmental Affairs.

H.R. 2454. An act to assure the long-term conservation of mid-continent light geese and the biological diversity of the ecosystem upon which many North American migratory birds depend, by directing the Secretary of the Interior to implement rules to reduce the overabundant population of mid-continent light geese; to the Committee on Environment and Public Works.

H.R. 2614. An act to amend the Small Business Investment Act to make improvements to the certified development company program, and for other purposes; to the Committee on Small Business.

H.R. 2615. An act to amend the Small Business Act to make improvements to the general business loan program, and for other purposes; to the Committee on Small Business.

#### MEASURES PLACED ON THE CALENDAR

The following bills were read twice and placed on the calendar:

H.R. 211. An act to designate the Federal building and United States courthouse located at West 920 Riverside Avenue in Spo-

kane, Washington, as the "Thomas S. Foley Federal Building and United States Courthouse", and the plaza at the south entrance of such building and courthouse as the "Walter F. Horan Plaza".

H.R. 695. An act to direct the Secretary of Agriculture and the Secretary of the Interior to convey an administrative site in San Juan County, New Mexico, to San Juan College.

H.R. 747. An act to protect the permanent trust funds of the State of Arizona from erosion due to inflation and modify the basis on which distributions are made from those funds.

H.R. 1104. An act to authorize the Secretary of the Interior to transfer administrative jurisdiction over land within the boundaries of the Home of Franklin D. Roosevelt National Historic Site to the Archivist of the United States for the construction of a visitor center.

H.R. 1152. An act to amend the Foreign Assistance Act of 1961 to target assistance to support the economic and political independence of the countries of the South Caucasus and Central Asia.

#### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment:

S. 1329. A bill to direct the Secretary of the Interior to convey certain land to Nye County, Nevada, and for other purposes (Rept. No. 106-133).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. 1330. A bill to give the city of Mesquite, Nevada, the right to purchase at fair market value certain parcels of public land in the city (Rept. No. 106-134).

#### EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of committees were submitted:

By Mr. THOMPSON, from the Committee on Governmental Affairs: Earl E. Devaney, of Massachusetts, to be Inspector General, Department of the Interior.

(The above nominations were reported with the recommendation that they be confirmed.)

#### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. REED (for himself, Mr. DODD, Mr. KENNEDY, Mrs. FEINSTEIN, Mr. INOUE, and Mrs. MURRAY):

S. 1475. A bill to amend the Child Care and Development Block Grant Act of 1990 to provide incentive grants to improve the quality of child care; to the Committee on Health, Education, Labor, and Pensions.

By Mr. MURKOWSKI (for himself, Mr. STEVENS, Mr. INOUE, and Mr. AKAKA):

S. 1476. A bill to amend title XVIII of the Social Security Act to provide an increase in payments for physician services provided in health professional shortage areas in Alaska and Hawaii; to the Committee on Finance.

By Mr. ROBB:

S. 1477. A bill to reduce traffic congestion, promote economic development, and improve the quality of life in the metropolitan Washington region; to the Committee on Environment and Public Works.

By Mr. DASCHLE (for himself, Mr. MCCAIN, and Mr. INOUE):

S. 1478. A bill to amend part E of title IV of the Social Security Act to provide equitable access for foster care and adoption services for Indian children in tribal areas; to the Committee on Finance.

By Mr. GREGG (for himself, Mr. LOTT, Ms. COLLINS, Mr. BROWNBACK, Mr. HAGEL, Mr. COVERDELL, Mr. GORTON, Mr. VOINOVICH, Mr. MACK, and Mr. SESSIONS):

S. 1479. A bill to amend the Elementary and Secondary Education Act of 1965 to empower teachers, improve student achievement through high-quality professional development for teachers, reauthorize the Reading Excellence Act, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. REED (for himself, Mr. DODD, Mr. KENNEDY, Mrs. FEINSTEIN, Mr. INOUE, and Mrs. MURRAY):

S. 1475. A bill to amend the Child Care and Development Block Grant Act of 1990 to provide incentive grants to improve the quality of child care; to the Committee on Health, Education, Labor, and Pensions.

##### CHILD CARE QUALITY INCENTIVE ACT OF 1999

Mr. REED. Mr. President, I rise to talk about a crisis that is affecting the families of this country. That crisis is the child care system, the ability to obtain safe, affordable, high-quality child care.

Today there are an estimated 13 million children, 6 million of them infants and toddlers, who require some form of day care. For working families, the price of this day care is exceedingly difficult to meet each and every day.

Full-day child care ranges from \$4,000 to \$10,000 a year. For some low-income families, that represents 25 percent of their income.

This is a huge obligation. We have, I fear and believe, the responsibility to ensure that we can help these families meet this obligation to protect their children. Not only is this necessary simply for the custodial protection and care of children, it is necessary for their enhancement, their advancement, for their intellectual development.

We have discovered over the last several years, because of all the research that is being done at the National Institutes of Health, and other places, the crucial role of the early development of children in their ultimate intellectual and social development as adults.

We know if we have good, nurturing care in the early days of life, this care will lead to better cognitive performance later on. It will increase classroom success. It will lead to more fully developed individuals who can cope with the challenges of this next century that is just upon us.

So our investment in child care is not simply something that is altruistic—something we want to do because it is for the kids and for working families—it is in the best interests of this country in order to provide for the citizens of this country of the next century.

We know also, as we look around, that one of the problems in child care, I say to Senators, is that because of the low reimbursement rates that the child care centers receive from the States, that they are not able to retain good employees and that they are not able to train the employees they can retain—particularly in this booming economy we see today.

So what you have in so many child care centers is a situation where they cannot retain their employees, they cannot attract the very best employees, they do not have the resources to fully develop the potential for these employees, and as a result, ultimately, children suffer.

In fact, there have been numerous studies. The one that I found most disturbing is one where four States were studied in the United States, and it was found that in those States only one out of seven child care centers provided care that promoted the healthy development of the child. Even more shocking, one in eight of these child care centers actually provided care that threatened the health of the child. We have to do something about it.

Prior to welfare reform, there was a law on the books that said the State, when they were subsidizing day care for low-income parents, had to at least try to achieve the 75th percentile in terms of their reimbursement rate. What that means is that they had to have a reimbursement rate that could at least meet the cost of 75 out of 100 of the centers in their particular State. That has gone by the wayside. But in order to keep quality in our child care system, we have to get to reimbursement rates that will, in fact, provide the resources for child care centers to have quality, enhancing care to benefit the children of this country.

What has also been abandoned in the last several years is even the attempt by the States to go ahead and do surveys of the market so they know what it costs different child care centers to provide care and know what it costs for the parents to send their children to day-care centers. Having abandoned these market surveys, essentially there is no connection between their subsidy rate and, in fact, the cost of day care. So working families who receive these subsidies—and there are more and more families who are receiving subsidies as we move welfare recipients to work—have no correlation between what they are getting and essentially what the cost of child care is in the real world.

What I have done, along with some of my colleagues, is introduce legislation that would, in fact, give the States an incentive, first to do their market sur-

veys, to find out the cost of day care in their communities, and then to strive to meet those market rates.

I have been very pleased to be joined by Senators CHRIS DODD and TED KENNEDY, who are leaders in the field of improving child care in this country, together with Senators FEINSTEIN, INOUE, and MURRAY in introducing the Child Care Quality Incentive Act. Essentially, this legislation would establish a new mandatory pool of funding, \$300 million each year over the next 5 years, as part of the Child Care Development Block Grant Program. This funding would be an incentive for States to first conduct a market survey and then to make significant movement towards raising their subsidy rates to that market rate. In so doing, we can directly contribute to the bottom line of these child care centers. They, in turn, can retain personnel, train their personnel, and create a more enhancing environment for the development of children. This, I think, is a goal we should have.

Increased reimbursement rates also expand the number of choices parents have in finding quality child care.

We will also, I hope, at the same time try to increase the overall scope of the child development block grants. One of the consequences of simply increasing funding for the child care development block grant, is many States will not increase the subsidy they pay for children; they will simply try to enroll more children. This puts centers in a very cruel dilemma because the more children they have at that far-below-market rate the greater the economic pressure on the centers.

The program I am presenting today with my colleagues would do what child care providers have argued must be done, and that is to give them additional resources so they can, in fact, improve the quality of day care—not simply the number of children in day care but the quality of day care. If we do these things we are going to be in a strong position to face the challenges ahead.

One of the greatest challenges for working families is the cost of day care for their children. I have been very pleased to note that this legislation has been endorsed by the USA Child Care, the Children's Defense Fund, Catholic Charities of the United States, the Child Welfare League of America, the YMCA of the United States, the National Association of Child Care Resource and Referral Agencies, the National Head Start Association, the National Child Care Association and a host of other agencies and organizations throughout the country. They recognize, as I do, and as my colleagues who are introducing this legislation do, that we can talk a lot about child care, we can emphasize how important it is to families, we can stress the importance to our economy and to our long-run future in this country, but until we put real resources to work, we will not be able to meet the real needs of families. These needs grow each day.



I urge strong support for this legislation. Again, I thank and commend my colleagues who have joined me in this effort: Senators DODD, KENNEDY, FEINSTEIN, INOUE, and MURRAY, and encourage others to join us. I believe if we make this investment in quality child care, we will be making one of the most important investments we can make in the future of this country and in the individual future of families throughout the United States.

I thank my colleagues for joining me, and I ask unanimous consent to have printed in the RECORD a copy of the legislation.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1475

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Child Care Quality Incentive Act of 1999".

#### SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress makes the following findings:

(1) Recent research on early brain development reveals that much of a child's growth is determined by early learning and nurturing care. Research also shows that quality early care and education leads to increased cognitive abilities, positive classroom learning behavior, increased likelihood of long-term school success, and greater likelihood of long-term economic and social self-sufficiency.

(2) Each day an estimated 13,000,000 children, including 6,000,000 infants and toddlers, spend some part of their day in child care. However, a study in 4 States found that only 1 in 7 child care centers provide care that promotes healthy development, while 1 in 8 child care centers provide care that threatens the safety and health of children.

(3) Full-day child care can cost \$4,000 to \$10,000 per year.

(4) Although Federal assistance is available for child care, funding is severely limited. Even with Federal subsidies, many families cannot afford child care. For families with young children and a monthly income under \$1,200, the cost of child care typically consumes 25 percent of their income.

(5) Payment (or reimbursement) rates, the maximum the State will reimburse a child care provider for the care of a child who receives a subsidy, are too low to ensure that quality care is accessible to all families.

(6) Low payment rates directly affect the kind of care children get and whether families can find quality child care in their communities. In many instances, low payment rates force child care providers to cut corners in ways that lower the quality of care for children, including reducing number of staff, eliminating staff training opportunities, and cutting enriching educational activities and services.

(7) Children in low quality child care are more likely to have delayed reading and language skills, and display more aggression toward other children and adults.

(8) Increased payment rates lead to higher quality child care as child care providers are able to attract and retain qualified staff, provide salary increases and professional training, maintain a safe and healthy environment, and purchase basic supplies and developmentally appropriate educational materials.

(b) PURPOSE.—The purpose of this Act is to improve the quality of, and access to, child care by increasing child care payment rates.

#### SEC. 3. INCENTIVE GRANTS TO IMPROVE THE QUALITY OF CHILD CARE.

(a) FUNDING.—Section 658B of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858) is amended—

(1) by striking "There" and inserting the following:

"(a) AUTHORIZATION OF APPROPRIATIONS.—There"; and

(2) by adding at the end the following:

"(b) APPROPRIATION OF FUNDS FOR GRANTS TO IMPROVE THE QUALITY OF CHILD CARE.—Out of any funds in the Treasury that are not otherwise appropriated, there are authorized to be appropriated and there are appropriated, for each of fiscal years 2000 through 2004, \$300,000,000 for the purpose of making grants under section 658H."

(b) GRANTS TO IMPROVE THE QUALITY OF CHILD CARE.—The Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.) is amended by inserting after section 658G the following:

#### "SEC. 658H. GRANTS TO IMPROVE THE QUALITY OF CHILD CARE.

"(a) AUTHORITY.—

"(1) IN GENERAL.—The Secretary shall use the amount appropriated under section 658B(b) for a fiscal year to make grants to eligible States in accordance with this section.

"(2) ANNUAL PAYMENTS.—The Secretary shall make annual payments to each eligible State out of the allotment for that State determined under subsection (c).

"(b) ELIGIBLE STATES.—

"(1) IN GENERAL.—In this section, the term 'eligible States' means a State that—

"(A) has conducted a survey of the market rates for child care services in the State within the 2 years preceding the date of the submission of an application under paragraph (2); and

"(B) submits an application in accordance with paragraph (2).

"(2) APPLICATION.—

"(A) IN GENERAL.—To be eligible to receive a grant under this section, a State shall submit an application to the Secretary at such time, in such manner, and accompanied by such information, in addition to the information required under subparagraph (B), as the Secretary may require.

"(B) INFORMATION REQUIRED.—Each application submitted for a grant under this section shall—

"(i) detail the methodology and results of the State market rates survey conducted pursuant to paragraph (1)(A);

"(ii) describe the State's plan to increase payment rates from the initial baseline determined under clause (i); and

"(iii) describe how the State will increase payment rates in accordance with the market survey findings.

"(3) CONTINUING ELIGIBILITY REQUIREMENT.—The Secretary may make an annual payment under this section to an eligible State only if—

"(A) the Secretary determines that the State has made progress, through the activities assisted under this subchapter, in maintaining increased payment rates; and

"(B) at least once every 2 years, the State conducts an update of the survey described in paragraph (1)(A).

"(4) REQUIREMENT OF MATCHING FUNDS.—

"(A) IN GENERAL.—To be eligible to receive a grant under this section, the State shall agree to make available State contributions from State sources toward the costs of the activities to be carried out by a State pursuant to subsection (d) in an amount that is not less than 25 percent of such costs.

"(B) DETERMINATION OF STATE CONTRIBUTIONS.—State contributions shall be in cash. Amounts provided by the Federal Government may not be included in determining the amount of such State contributions.

"(c) ALLOTMENTS TO ELIGIBLE STATES.—The amount appropriated under section 658B(b) for a fiscal year shall be allotted among the eligible States in the same manner as amounts are allotted under section 658O(b).

"(d) USE OF FUNDS.—

"(1) PRIORITY USE.—An eligible State that receives a grant under this section shall use the funds received to significantly increase the payment rate for the provision of child care assistance in accordance with this subchapter up to the 100th percentile of the market rate survey described in subsection (b)(1)(A).

"(2) ADDITIONAL USES.—An eligible State that demonstrates to the Secretary that the State has achieved a payment rate of the 100th percentile of the market rate survey described in subsection (b)(1)(A) may use funds received under a grant made under this section for any other activity that the State demonstrates to the Secretary will enhance the quality of child care services provided in the State.

"(3) PAYMENT RATE.—In this section, the term 'payment rate' means the rate of reimbursement to providers for subsidized child care.

"(4) SUPPLEMENT NOT SUPPLANT.—Amounts paid to a State under this section shall be used to supplement and not supplant other Federal, State, or local funds provided to the State under this subchapter or any other provision of law.

"(e) EVALUATIONS AND REPORTS.—

"(1) STATE EVALUATIONS.—Each eligible State shall submit to the Secretary, at such time and in such form and manner as the Secretary may require, information regarding the State's efforts to increase payment rates and the impact increased rates are having on the quality of, and accessibility to, child care in the State.

"(2) REPORTS TO CONGRESS.—The Secretary shall submit biennial reports to Congress on the information described in paragraph (1). Such reports shall include data from the applications submitted under subsection (b)(2) as a baseline for determining the progress of each eligible State in maintaining increased payment rates."

By Mr. MURKOWSKI (for himself, Mr. STEVENS, Mr. INOUE, and Mr. AKAKA):

S. 1476. A bill to amend title XVIII of the Social Security Act to provide an increase in payments for physician services provided in health professional shortage areas in Alaska and Hawaii; to the Committee on Finance.

#### HEALTH PROFESSIONAL SHORTAGE IN ALASKA AND HAWAII

Mr. MURKOWSKI: Mr. President, I rise today to introduce legislation co-sponsored by my colleagues Senator STEVENS, Senator AKAKA, and Senator INOUE which will help to alleviate some of the financial hardships that currently face physicians who practice in remote areas of Alaska and Hawaii.

Access to health care is the overriding problem for Alaska's elderly. Almost weekly, I receive letters from seniors in Alaska who tell me that their doctor is no longer willing to accept Medicare patients. Why? Because doctors in rural areas lose money on Medicare patients.

In a 1987 report to Congress, the Physician Payment Review Commission recognized that low Medicare payments in rural areas affect physicians' willingness to see Medicare beneficiaries.

In response, Congress provided a 10 percent bonus payment for all physician services provided in rural areas with the greatest degree of physician shortages. Unfortunately, reimbursement rates continue to be inadequate in Alaska and Hawaii where physicians must contend with extreme remoteness and high transportation costs. Alaska is currently 70 percent medically underserved.

The legislation which I am introducing today will increase the bonus payment for rural physicians in Alaska and Hawaii to 20 percent. By increasing these payments, physicians in Alaska and Hawaii will be better able to cover the additional costs which accompanies the delivery of health care in remote areas. Furthermore, this legislation will go far in helping Alaska and Hawaii retain current physician staffs and better meet the needs of Alaskan Native and Hawaiian Native communities.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1476

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. INCREASE IN PAYMENTS FOR PHYSICIAN SERVICES PROVIDED IN HEALTH PROFESSIONAL SHORTAGE AREAS IN ALASKA AND HAWAII.**

(a) IN GENERAL.—Section 1833(m) of the Social Security Act (42 U.S.C. 1395l(m)) is amended by inserting “(20 percent in such an area in Alaska or Hawaii) after ‘10 percent’”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to physician services furnished on or after the date of enactment of this Act.

By Mr. DASCHLE (for himself, Mr. McCAIN and Mr. INOUE):

S. 1478. A bill to amend part E of title IV of the Social Security Act to provide equitable access for foster care and adoption services for Indian children in tribal areas; to the Committee on Finance.

**IMPROVING FOSTER CARE AND ADOPTION SERVICES FOR NATIVE AMERICAN CHILDREN**

Mr. DASCHLE. Mr. President, today I am introducing, along with Senator McCAIN and Senator INOUE, an important bill to correct an inequity in the law affecting many Native American children. Every year, for a variety of often tragic reasons, thousands of children across the country are placed in foster care. To assist with the cost of food, shelter, clothing, daily supervision and school supplies, foster parents of children who have come to them through state agency placements receive money through Title IV-E of the Social Security Act. Additionally, States receive funds for administrative training and data collection to support this program. Unfortunately, because of a legislative oversight, many income-eligible Native American children placed in foster care by tribal agencies do not receive foster care and

adoptive services to which all other income-eligible children are entitled.

Not only are otherwise eligible Native children denied foster care maintenance payments, but this inequity also extends to children adopted through tribal placements. Currently, the IV-E program offers sporadic assistance for expenses associated with adoption and no assistance for training professional staff or parents involved in the adoption absent a tribal-state agreement.

In many instances, these children face insurmountable odds. Many come from abusive homes. Foster parents who open their doors to care for these special children deserve our help. These generous people who are willing to take these children into their homes shouldn't have sleepless nights worrying about whether they have the resources to provide nourishing food or a warm coat, or even adequate shelter for these children. This legislation will go a long way to ease their concerns.

Currently, some tribes and states have entered into IV-E agreements, but these arrangements are the exception. They also, by and large, do not include funds to train tribal social workers and other program administrators. This bill would authorize tribes to operate IV-E programs in the same manner as states. Upon approval of a tribal plan by HHS, the tribe would be able to provide services to income-eligible children under its custody. The bill would also allow children in tribal custody to receive foster care payments where a tribe chooses not to operate the entire program if adequate arrangements are made between the tribe and the state for provision of child welfare services and protections required by Title IV-E.

The bill we are introducing today would:

Authorize reimbursement of Title IV-E entitlement programs for tribal placements in foster and adoptive homes;

Authorize tribal governments to receive direct funding from the Department of Health and Human Services for training and administration of IV-E programs (tribes must have HHS-approved programs);

Allow the Secretary flexibility to modify the requirements of the IV-E law for tribes if those requirements are not in the best interest of Native children and if the tribal plans include alternative provisions that would achieve the purpose of the requirement that is altered or waived; and

Allow continuation of tribal-state IV-E agreements.

In a 1994 report, HHS found that the best way to serve this underfunded group is to provide direct assistance to tribal governments and qualified tribal families. This bill would not reduce the entitlement funding for states, as they would continue to be reimbursed for their expenses under the law. I strongly believe Congress should address this oversight and provide equitable benefits to Native American children under

the jurisdiction of their tribal governments, and I hope my colleagues will join me in supporting this bill.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1478

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. AUTHORITY OF INDIAN TRIBES TO RECEIVE FEDERAL FUNDS FOR FOSTER CARE AND ADOPTION ASSISTANCE.**

(a) CHILDREN PLACED IN TRIBAL CUSTODY ELIGIBLE FOR FOSTER CARE FUNDING.—Section 472(a)(2) of the Social Security Act (42 U.S.C. 672(a)(2)) is amended—

(1) by striking “or (B)” and inserting “(B)”; and

(2) by inserting before the semicolon the following: “, or (C) an Indian tribe as defined in section 479B(b)(5), in the case of an Indian child (as defined in section 4(4) of the Indian Child Welfare Act of 1978 (25 U.S.C. 1903(4))) if the tribe is not operating a program pursuant to section 479B and (i) has an agreement with a State pursuant to section 479B(b)(3) or (ii) submits to the Secretary a description of the arrangements, jointly developed or in consultation with the State, made for the payment of funds and the provision of the child welfare services and protections required by this title”.

(b) PROGRAMS OPERATED BY INDIAN TRIBAL ORGANIZATIONS.—Part E of title IV of the Social Security Act (42 U.S.C. 670 et seq.) is amended by adding at the end the following:

**“PROGRAMS OPERATED BY INDIAN TRIBAL ORGANIZATIONS**

“SEC. 479B. (a) Except as provided in subsection (b), this part shall apply to an Indian Tribe that chooses to operate a program under this part in the same manner as this part applies to a State.

“(b)(1) In the case of an Indian tribe submitting a plan for approval under section 471, the plan shall—

“(A) in lieu of the requirement of section 471(a)(3), identify the service area or areas and population to be served by the Indian tribe; and

“(B) in lieu of the requirement of section 471(a)(10), provide for the approval of foster homes pursuant to tribal standards and in a manner that ensures the safety of, and accountability for, children placed in foster care.

“(2)(A)(i) For purposes of determining the Federal medical assistance percentage applicable to an Indian tribe under paragraphs (1) and (2) of section 474(a), the calculation of an Indian tribe's per capita income shall be based upon the service population of the Indian tribe as defined in its plan.

“(ii) An Indian tribe may submit to the Secretary such information as the tribe considers may be relevant to making the calculation of the per capita income of the tribe, and the Secretary shall consider such information before making the calculation.

“(B) The Secretary shall, by regulation, determine the proportions to be paid to Indian tribes pursuant to section 474(a)(3), except that in no case shall an Indian tribe receive a lesser proportion than specified for States in that section.

“(C) An Indian tribe may use Federal or State funds to match payments for which the Indian tribe is eligible under section 474.

“(3) An Indian tribe and a State may enter into a cooperative agreement for the administration or payment of funds pursuant to

this part. Any such agreement that is in effect as of the date of the enactment of this section shall remain in full force and effect subject to the right of either party to revoke or modify the agreement pursuant to its terms.

“(4) The Secretary may prescribe regulations that alter or waive any requirement under this part with respect to an Indian tribe or tribes if the Secretary, after consulting with the tribe or tribes—

“(A) determines that the strict enforcement of the requirement would not advance the best interests and the safety of children served by the Indian tribe or tribes; and

“(B) provides in the regulations that tribal plans include alternative provisions that would achieve the purposes of the requirement that is to be altered or waived.

“(5) For purposes of this section, the term ‘Indian tribe’ means any Indian tribe, band, nation, or organized group or community of Indians, including any Alaska Native village, that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

“(6) Nothing in this section shall preclude the development and submission of a single plan under section 471 that meets the requirements of this section by the participating Indian tribes of an intertribal consortium.”

(c) **EFFECTIVE DATE.**—The amendments made by this Act take effect on the date of enactment of this Act.

Mr. MCCAIN. Mr. President, I am pleased to co-sponsor legislation with my colleagues, Senators DASCHLE and INOUE, to amend the Social Security Act and extend eligibility for Indian tribes to fully implement, like states, the Title IV-E Foster Care and Adoption Assistance Act. This important legislation will finally allow Indian children living in tribal areas to have the same access to services of the Title IV-E Foster Care and Adoption Assistance Program enjoyed by other children nationwide.

The purpose of the Title IV-E program is to ensure that children receive adequate care when placed in foster care and adoption programs. The Title IV-E program operates as an open-ended entitlement program for eligible state governments with approved plans. State governments receive funding for foster care maintenance payments to cover food, shelter, clothing, school supplies, and liability insurance for income-eligible children placed in foster homes by state courts, and for related administrative and training costs.

While Congress intended that the Title IV-E program should benefit all eligible children, Indian children who are under the jurisdiction of their tribal court are not eligible. When enacted, the Title IV-E law did not properly consider that Indian tribal governments retain sole jurisdiction over the domestic affairs of their own tribal members, particularly Indian children.

State administrators have attempted to meet the intended goals of these programs by extending their efforts to Indian country. However, administrative and jurisdictional hurdles make it nearly impossible to provide these services. As a result, Indian children in

need of foster care and child support are not accorded the same level of service as other children nationwide. Tribal governments, who are legally responsible for Indian children in foster care, are not entitled to federal reimbursement for children placed in foster care by a tribal court, unless the tribe, as a public agency, enters into a cooperative agreement with the state.

A cooperative agreement may not sound all that difficult, but in reality, such an agreement can prove impossible. Rather than providing incentives, current law more often discourages states from entering into agreements with tribes. For example, a state is accountable for tribal compliance with Title IV-E requirements. If a tribe cannot fulfill a matching requirement, the state must assume the costs on behalf of the tribe in order to retain federal funds. It is entirely possible that states could lose their Title IV-E funds if tribal records were out of compliance.

State-tribal relations are not always productive, particularly when disputes arise over issues unrelated to child welfare. Providing this direct eligibility for tribal governments, with the same accountability and enforcement requirements, will resolve such problems. State agencies have indicated that direct participation by the tribes would help address an overburden of casework and preclude tension over jurisdictional issues.

I want to make clear that enactment of this legislation will in no way supplant or discourage State-tribal agreements. Existing agreements will be honored, while allowing Indian tribes to directly access needed resources for further protection for income-eligible Indian children.

I also want to comment briefly on efforts made by the Administration to implement a limited pilot program to provide direct authority to tribes to administer the Title IV-E and Title IV-B programs. The 1997 Adoption and Safe Families Act authorized up to ten demonstration programs. Five demonstration programs have been approved by the Administration to meet the needs of Indian children. I applaud the initiative, but this limited approval will not extend to any other tribe who may choose to administer their own programs and the needs of many Indian children will still be unmet. I sincerely hope the Administration would seek to include five more tribes as participants in the demonstration program.

We sought to include similar eligibility provisions in the 1996 Personal Responsibility and Work Opportunity Act, but were unsuccessful in finding the necessary off-sets to pay for this program.

The Congressional Budget Office (CBO) estimates that this legislation would cost \$236 million over a five-year period, which generally amounts to less than one percent of total Federal Title IV-E expenditures. While this leg-

islation does not currently include any identified off-sets to pay for adding tribal eligibility for this entitlement program, I have assurances from Senators DASCHLE and INOUE that the inclusion of off-sets, prior to final passage, will in no way affect the Social Security Trust Fund or increase the federal debt. We have pledged to work together to find necessary and agreeable off-sets for this program.

Mr. President, enactment of this legislation will bring an end to the disparate treatment of eligible Indian children under Title IV-E programs. I urge my colleagues to correct this unfair oversight and make the benefits of the Title IV-E entitlement program available for all children as intended.

By Mr. GREGG (for himself, Mr. LOTT, Ms. COLLINS, Mr. BROWNBAC, Mr. HAGEL, Mr. COVERDELL, Mr. GORTON, Mr. VOINOVICH, Mr. MACK, and Mr. SESSIONS):

S. 1479. A bill to amend the Elementary and Secondary Education Act of 1965 to empower teachers, improve student achievement through high-quality professional development for teachers, reauthorize the Reading Excellence Act, and for other purposes; to the Committee on Health, Education, Labor and Pensions.

#### TEACHER EMPOWERMENT ACT

• Mr. GREGG. Mr. President, today I am joined with my colleagues, Senators LOTT, COLLINS, BROWNBAC, HAGEL, COVERDELL, GORTON, MACK, VOINOVICH and SESSIONS in introducing the Teacher Empowerment Act (TEA). This Act is similar to H.R. 1995 which recently passed the House.

The bill provides a little over \$2 billion annually over 5 years by consolidating funds for Title II of ESEA, GOALS 2000 and Classroom Size into one flexible funding stream for the purposes of increasing teacher quality and the number of high quality teachers in our schools.

Over 300 studies have found that the number one contributor to student achievement is a highly qualified teacher. Outside of parental involvement, no other factor has as much impact on determining whether a student will succeed or fail in school. Unfortunately, we know that over 25% of those who enter the teacher workforce are poorly qualified to teach. Furthermore, we know that many teachers who are already in the classroom lack necessary skills or do not possess adequate knowledge of the subject area in which they teach.

Since teacher quality is the most significant determinant to student success and there is a shortage of high quality teachers in our schools, it is readily apparent that we need to focus our efforts on increasing teacher quality. Nothing else will improve our public schools or lead to increased student achievement as much as increasing the number of high quality teachers in our schools.

TEA improves teacher quality by requiring that professional development activities increase teacher knowledge and skills as well as student achievement. TEA builds upon extensive research on what type of professional development activities improve teacher knowledge and skills. First and foremost high quality professional development activities must be directly related to the curriculum and subject area in which the teacher provides instruction. Second, they must be of sufficient intensity and duration to have a positive and lasting impact. TEA only funds those professional activities that meet these requirements and only if the activities are tied to challenging State content and student performance standards.

Not only does TEA improve teacher quality, but it gives school districts the ability to recruit and retain high quality teachers. Many school districts, especially inner city and rural school districts, are unable to either attract or retain high quality teachers. Blanket classroom size reduction proposals, which call for reduced class size at all costs, only exacerbate the situation.

A recent Rand study found that California's classroom size initiative led to more uncredentialed, underqualified teachers and an increase in teacher aides (rather than teachers) providing direct instruction to students. Inner city schools in Los Angeles actually witnessed a decrease in the number of qualified teachers, as many of those that were qualified left the inner city schools when jobs opened up in more affluent schools.

Clearly, school districts must be given the resources to not only recruit, but also to retain, high quality teachers. TEA does this through a variety of measures. It permits school districts to award differential pay to retain and recruit teachers in high need subject areas, such as math and science. It permits schools to provide signing bonuses to retain their best teachers and reduce the rate of attrition.

It permits school districts to establish incentive programs to attract and hire highly skilled and knowledgeable teachers. It permits schools to recruit individuals who have had careers outside of teaching but whose life experience provides a solid foundation for teaching. And, it permits schools to invest in teacher mentors and master teachers; studies and teacher polls have found that hiring master teachers who mentor new teachers improves both teacher quality and the likelihood that new teachers will stay and thrive at the school.

In addition to promoting high quality professional development programs and to giving school districts the ability to retain, recruit and train high quality teachers, TEA also promotes a number of innovative common sense reforms, such as tenure reform, teacher testing, merit-based performance systems, teacher academies, and alternative certification programs.

TEA also creates Teacher Opportunity Payments (TOPS), payments that would be provided directly to teachers so they can choose their own professional development. Teachers have reported that professional activities selected by the school districts are often not as helpful as those activities they might have selected themselves. Under TOPS, if a group of teachers is not satisfied with the professional opportunities offered by the school district, they could request that the LEA pay for them to attend a professional development program of their choice, provided the program met the professional activity requirements under the Act. This means that science teachers could attend a local university that has a reputation for intensive professional development programs in math and science; programs that they otherwise might not have had the opportunity to attend.

I urge my colleagues to cosponsor TEA. TEA gives States and schools the resources and the flexibility to use those resources to retain, recruit, train and hire highly qualified teachers.

I ask that the bill be printed in the RECORD.

The bill follows:

S. 1479

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Teacher Empowerment Act".

#### SEC. 2. TEACHER EMPOWERMENT.

(a) IN GENERAL.—Title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6601 et seq.) is amended—

(1) by striking the heading for title II and inserting the following:

#### "TITLE II—TEACHER QUALITY";

(2) by repealing sections 2001 through 2003; and

(3) by amending part A to read as follows:

#### "PART A—TEACHER EMPOWERMENT

##### "SEC. 2001. PURPOSE.

"The purpose of this part is to provide grants to States and local educational agencies, in order to assist their efforts to increase student academic achievement through such strategies as improving teacher quality.

##### "Subpart 1—Grants to States

##### "SEC. 2011. FORMULA GRANTS TO STATES.

"(a) IN GENERAL.—In the case of each State that, in accordance with section 2014, submits to the Secretary and obtains approval of an application for a fiscal year, the Secretary shall make a grant for the year to the State for the uses specified in section 2012. The grant shall consist of the allotment determined for the State under subsection (b).

"(b) DETERMINATION OF AMOUNT OF ALLOTMENT.—

"(1) RESERVATION OF FUNDS.—

"(A) IN GENERAL.—From the total amount made available to carry out this subpart for any fiscal year, the Secretary shall reserve—

"(i) ½ of 1 percent for allotments for the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, to be distributed among those outlying areas on the basis of their relative need, as determined by the Secretary in accordance with the purpose of this part; and

"(ii) ½ of 1 percent for the Secretary of the Interior for programs under this part for professional development activities for teachers, other staff, and administrators in schools operated or funded by the Bureau of Indian Affairs.

"(B) LIMITATION.—In reserving an amount for the purposes described in clauses (i) and (ii) of subparagraph (A) for a fiscal year, the Secretary shall not reserve more than the total amount the outlying areas and the schools operated or funded by the Bureau of Indian Affairs received under the authorities described in paragraph (2)(A)(i) for fiscal year 1999.

"(2) STATE ALLOTMENTS.—

"(A) HOLD HARMLESS.—

"(i) IN GENERAL.—Subject to subparagraph (B), from the total amount made available to carry out this subpart for any fiscal year and not reserved under paragraph (1), the Secretary shall allot to each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico an amount equal to the total amount that such State received for fiscal year 1999 under—

"(I) section 2202(b) of this Act (as in effect on the day before the date of enactment of the Teacher Empowerment Act);

"(II) section 307 of the Department of Education Appropriations Act, 1999; and

"(III) section 304(b) of the Goals 2000: Educate America Act (20 U.S.C. 5884(b)).

"(ii) RATABLY REDUCTION.—If the total amount made available to carry out this subpart for any fiscal year and not reserved under paragraph (1) is insufficient to pay the full amounts that all States are eligible to receive under clause (i) for any fiscal year, the Secretary shall ratably reduce such amounts for such fiscal year.

"(B) ALLOTMENT OF ADDITIONAL FUNDS.—

"(i) IN GENERAL.—Subject to clause (ii), for any fiscal year for which the total amount made available to carry out this subpart and not reserved under paragraph (1) exceeds the total amount made available to the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico for fiscal year 1999 under the authorities described in subparagraph (A)(i), the Secretary shall allot to each of those States the sum of—

"(I) an amount that bears the same relationship to 50 percent of the excess amount as the number of individuals age 5 through 17 in the State, as determined by the Secretary on the basis of the most recent satisfactory data, bears to the number of those individuals in all such States, as so determined; and

"(II) an amount that bears the same relationship to 50 percent of the excess amount as the number of individuals age 5 through 17 from families with incomes below the poverty line in the State, as determined by the Secretary on the basis of the most recent satisfactory data, bears to the number of those individuals in all such States, as so determined.

"(ii) EXCEPTION.—No State receiving an allotment under clause (i) may receive less than ½ of 1 percent of the total excess amount allotted under clause (i) for a fiscal year.

"(3) REALLOTMENT.—If any State does not apply for an allotment under this subsection for any fiscal year, the Secretary shall reallocate such amount to the remaining States in accordance with this subsection.

##### "SEC. 2012. ALLOCATIONS WITHIN STATES.

"(a) USE OF FUNDS.—Each State receiving a grant under this subpart shall use the funds provided under the grant in accordance with this section to carry out activities for the improvement of teaching and learning.

"(b) REQUIRED AND AUTHORIZED EXPENDITURES.—

"(1) REQUIRED EXPENDITURES.—The Secretary may make a grant to a State under

this subpart only if the State agrees to expend not less than 90 percent of the amount of the funds provided under the grant for the purpose of making subgrants to local educational agencies and eligible partnerships (as defined in section 2021(d)), in accordance with subsection (c).

“(2) **AUTHORIZED EXPENDITURES.**—A State that receives a grant under this subpart may expend a portion equal to not more than 10 percent of the amount of the funds provided under the grant for 1 or more of the authorized State activities described in section 2013 or to make grants to eligible partnerships to enable the partnerships to carry out subpart 2 (but not more than 5 percent of such portion may be used for planning and administration related to carrying out such purpose).

“(c) **DISTRIBUTION OF SUBGRANTS TO LOCAL EDUCATIONAL AGENCIES AND ELIGIBLE PARTNERSHIPS.**—

“(1) **ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.**—

“(A) **IN GENERAL.**—Subject to subparagraph (B), a State receiving a grant under this subpart shall distribute a portion equal to 80 percent of the amount described in subsection (b)(1) by allocating to each eligible local educational agency the sum of—

“(i) an amount that bears the same relationship to 50 percent of the portion as the number of individuals enrolled in public and private nonprofit elementary schools and secondary schools in the geographic area served by the agency bears to the number of those individuals in the geographic areas served by all the local educational agencies in the State; and

“(ii) an amount that bears the same relationship to 50 percent of the portion as the number of individuals age 5 through 17 from families with incomes below the poverty line, in the geographic area served by the agency, as determined by the Secretary on the basis of the most recent satisfactory data, bears to the number of those individuals in the geographic areas served by all the local educational agencies in the State, as so determined.

“(B) **ALTERNATIVE FORMULA.**—A State may increase the percentage described in subparagraph (A)(ii) (and commensurately decrease the percentage described in subparagraph (A)(i)).

“(C) **USE OF FUNDS.**—The State shall make subgrants to local educational agencies from allocations made under this paragraph to enable the agencies to carry out subpart 3.

“(2) **COMPETITIVE SUBGRANTS TO LOCAL EDUCATIONAL AGENCIES AND ELIGIBLE PARTNERSHIPS.**—

“(A) **COMPETITIVE PROCESS.**—A State receiving a grant under this subpart shall distribute a portion equal to 20 percent of the amount described in subsection (b)(1) through a competitive process.

“(B) **PARTICIPANTS.**—The competitive process carried out under subparagraph (A) shall be open to local educational agencies and eligible partnerships (as defined in section 2021(d)). In carrying out the process, the State shall give priority to high-need local educational agencies that focus on math, science, or reading professional development programs.

“(C) **SUBGRANTS TO ELIGIBLE PARTNERSHIPS.**—A State receiving a grant under this subpart shall distribute at least 3 percent of the portion described in subparagraph (A) to the eligible partnerships through the competitive process.

“(D) **USE OF FUNDS.**—In distributing funds under this paragraph, the State shall make subgrants—

“(i) to local educational agencies to enable the agencies to carry out subpart 3; and

“(ii) to the eligible partnerships to enable the partnerships to carry out subpart 2 (but not more than 5 percent of the funds made available to the eligible partnerships through the subgrants may be used for planning and administration related to carrying out such purpose).

#### “SEC. 2013. STATE USE OF FUNDS.

“(a) **AUTHORIZED STATE ACTIVITIES.**—The authorized State activities referred to in section 2012(b)(2) are the following:

“(1) Reforming teacher certification (including recertification) or licensure requirements to ensure that—

“(A) teachers have the necessary teaching skills and academic content knowledge in the academic subjects in which the teachers are assigned to teach;

“(B) the requirements are aligned with the State's challenging State content standards; and

“(C) teachers have the knowledge and skills necessary to help students meet challenging State student performance standards.

“(2) Carrying out programs that—

“(A) include support during the initial teaching experience, such as mentoring programs; and

“(B) establish, expand, or improve alternative routes to State certification of teachers for highly qualified individuals with a baccalaureate degree, including mid-career professionals from other occupations, paraprofessionals, former military personnel, and recent college or university graduates with records of academic distinction who demonstrate the potential to become highly effective teachers.

“(3) Developing and implementing effective mechanisms to assist local educational agencies and schools in effectively recruiting and retaining highly qualified and effective teachers and principals.

“(4) Reforming tenure systems and implementing teacher testing and other procedures to remove expeditiously incompetent and ineffective teachers from the classroom.

“(5) Developing or improving systems of performance measures to evaluate the effectiveness of professional development programs and activities in improving teacher quality, skills, and content knowledge, and increasing student achievement.

“(6) Developing or improving systems to evaluate the impact of teachers on student achievement.

“(7) Providing technical assistance to local educational agencies consistent with this part.

“(8) Funding projects to promote reciprocity of teacher certification or licensure between or among States, except that no reciprocity agreement developed under this paragraph or developed using funds provided under this part may lead to the weakening of any State teaching certification or licensing requirement.

“(9) Developing or assisting local educational agencies or eligible partnerships (as defined in section 2021(d)) in the development and utilization of proven, innovative strategies to deliver intensive professional development programs and activities that are both cost-effective and easily accessible, such as through the use of technology and distance learning.

“(b) **COORDINATION.**—A State that receives a grant to carry out this subpart and a grant under section 202 of the Higher Education Act of 1965 (20 U.S.C. 1022) shall coordinate the activities carried out under this section and the activities carried out under that section 202.

“(c) **PUBLIC ACCOUNTABILITY.**—

“(1) **IN GENERAL.**—A State that receives a grant under this subpart—

“(A) in the event the State provides public State report cards on education, shall include in such report cards information on the State's progress with respect to—

“(i) subject to paragraph (2), improving student academic achievement, as defined by the State;

“(ii) closing academic achievement gaps, as defined by the State, between groups described in paragraph (2)(A)(i); and

“(iii) increasing the percentage of classes in core academic subjects that are taught by highly qualified teachers; or

“(B) in the event the State provides no such report card, shall publicly report the information described in subparagraph (A) through other means.

“(2) **DISAGGREGATED DATA.**—The information described in clauses (i) and (ii) of paragraph (1)(A) and clauses (i) and (ii) of section 2014(b)(2)(A) shall be—

“(A) disaggregated—

“(i) by minority and non-minority group and by low-income and non-low-income group; and

“(ii) using assessments under section 1111(b)(3); and

“(B) publicly reported in the form of disaggregated data only when such data are statistically sound.

“(3) **PUBLIC AVAILABILITY.**—Such information shall be made widely available to the public, including parents and students, through major print and broadcast media outlets throughout the State.

#### “SEC. 2014. APPLICATIONS BY STATES.

“(a) **IN GENERAL.**—To be eligible to receive a grant under this subpart, a State shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

“(b) **CONTENTS.**—Each application submitted under this section shall include the following:

“(1) A description of how the State will ensure that a local educational agency receiving a subgrant to carry out subpart 3 will comply with the requirements of such subpart.

“(2)(A) A description of the performance indicators that the State will use to measure the annual progress of the local educational agencies and schools in the State with respect to—

“(i) subject to section 2013(c)(2), improving student academic achievement, as defined by the State;

“(ii) closing academic achievement gaps, as defined by the State, between groups described in section 2013(c)(2)(A)(i); and

“(iii) increasing the percentage of classes in core academic subjects that are taught by highly qualified teachers.

“(B) An assurance that the State will require each local educational agency and school in the State receiving funds under this part to publicly report information on the agency's or school's annual progress, as measured by the performance indicators.

“(3) A description of how the State will hold the local educational agencies and schools accountable for making annual gains toward meeting the performance indicators described in paragraph (2).

“(4)(A) A description of how the State will coordinate professional development activities authorized under this part with professional development activities provided under other Federal, State, and local programs, including those authorized under title I, title III, title IV, part A of title VII, and (where applicable) the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) and the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.).

“(B) A description of the comprehensive strategy that the State will use as part of

the effort to carry out the coordination, to ensure that teachers are trained in the utilization of technology so that technology and technology applications are effectively used in the classroom to improve teaching and learning in all curriculum areas and academic subjects, as appropriate.

“(5) A description of how the State will encourage the development of proven, innovative strategies to deliver intensive professional development programs that are both cost-effective and easily accessible, such as through the use of technology and distance learning.

“(c) APPLICATION SUBMISSION.—A State application submitted to the Secretary under this section shall be approved by the Secretary unless the Secretary makes a written determination, within 90 days after receiving the application, that the application is in violation of the provisions of this Act.

#### **“Subpart 2—Subgrants to Eligible Partnerships**

##### **“SEC. 2021. PARTNERSHIP GRANTS.**

“(a) IN GENERAL.—From the amount described in section 2012(c)(2)(C), the State agency for higher education, working in conjunction with the State educational agency (if such agencies are separate), shall award subgrants on a competitive basis under section 2012(c) to eligible partnerships to enable such partnerships to carry out activities described in subsection (b). Such subgrants shall be equitably distributed by geographic area within the State.

“(b) USE OF FUNDS.—An eligible partnership that receives funds under section 2012 shall use the funds for—

“(1) professional development activities in core academic subjects to ensure that teachers have content knowledge in the academic subjects that the teachers teach; and

“(2) developing and providing assistance to local educational agencies and the teachers, principals, and administrators of public and private schools served by each such agency, for sustained, high-quality professional development activities that—

“(A) ensure the agencies and individuals are able to use State content standards, performance standards, and assessments to improve instructional practices and improve student achievement; and

“(B) may include intensive programs designed to prepare teachers who will return to a school to provide such instruction to other teachers within such school.

“(c) SPECIAL RULE.—No single participant in an eligible partnership may use more than 50 percent of the funds made available to the partnership under section 2012.

“(d) COORDINATION.—An eligible partnership that receives a grant to carry out this subpart and a grant under section 203 of the Higher Education Act of 1965 (20 U.S.C. 1023) shall coordinate the activities carried out under this section and the activities carried out under that section 203.

“(e) ELIGIBLE PARTNERSHIP.—In this section, the term ‘eligible partnership’ means an entity that—

“(1) shall include—

“(A) a high-need local educational agency;

“(B) a school of arts and sciences; and

“(C) an institution that prepares teachers; and

“(2) may include other local educational agencies, a public charter school, a public or private elementary school or secondary school, an educational service agency, a public or private nonprofit educational organization, or a business.

#### **“Subpart 3—Subgrants to Local Educational Agencies**

##### **“SEC. 2031. LOCAL USE OF FUNDS.**

“(a) REQUIRED ACTIVITIES.—

“(1) IN GENERAL.—Each local educational agency that receives a subgrant to carry out this subpart shall use the subgrant to carry out the activities described in this subsection.

“(2) REQUIRED PROFESSIONAL DEVELOPMENT ACTIVITIES.—

“(A) MATHEMATICS AND SCIENCE.—

“(i) IN GENERAL.—Each local educational agency that receives a subgrant to carry out this subpart shall use a portion of the funds made available through the subgrant for professional development activities in mathematics and science in accordance with section 2032.

“(ii) GRANDFATHER OF OLD WAIVERS.—A waiver provided to a local educational agency under part D of title XIV prior to the date of enactment of the Teacher Empowerment Act shall be deemed to be in effect until such time as the waiver otherwise would have ceased to be effective.

“(B) PROFESSIONAL DEVELOPMENT ACTIVITIES.—Each local educational agency that receives a subgrant to carry out this subpart shall use a portion of the funds made available through the subgrant for professional development activities that give teachers, principals, and administrators the knowledge and skills to provide students with the opportunity to meet challenging State or local content standards and student performance standards. Such activities shall be consistent with section 2032.

“(b) ALLOWABLE ACTIVITIES.—Each local educational agency that receives a subgrant to carry out this subpart may use the funds made available through the subgrant to carry out the following activities:

“(1) Recruiting and hiring certified or licensed teachers, including teachers certified through State and local alternative routes, in order to reduce class size, or hiring special education teachers.

“(2) Initiatives to assist in recruitment of highly qualified teachers who will be assigned teaching positions within their fields, including—

“(A) providing signing bonuses or other financial incentives, such as differential pay, for teachers to teach in academic subjects in which there exists a shortage of such teachers within a school or the area served by the local educational agency;

“(B) establishing programs that—

“(i) recruit professionals from other fields and provide such professionals with alternative routes to teacher certification; and

“(ii) provide increased opportunities for minorities, individuals with disabilities, and other individuals underrepresented in the teaching profession; and

“(C) implementing hiring policies that ensure comprehensive recruitment efforts as a way to expand the applicant pool of teachers, such as identifying teachers certified through alternative routes, and by implementing a system of intensive screening designed to hire the most qualified applicants.

“(3) Initiatives to promote retention of highly qualified teachers and principals, including—

“(A) programs that provide mentoring to newly hired teachers, such as mentoring from master teachers, and to newly hired principals; and

“(B) programs that provide other incentives, including financial incentives, to retain teachers who have a record of success in helping low-achieving students improve their academic success.

“(4) Programs and activities that are designed to improve the quality of the teacher force, such as—

“(A) innovative professional development programs (which may be through partnerships including institutions of higher education), including programs that train teach-

ers to utilize technology to improve teaching and learning, that are consistent with the requirements of section 2032;

“(B) development and utilization of proven, cost-effective strategies for the implementation of professional development activities, such as through the utilization of technology and distance learning;

“(C) professional development programs that provide instruction in how to teach children with different learning styles, particularly children with disabilities and children with special learning needs (including children who are gifted and talented); and

“(D) professional development programs that provide instruction in how best to discipline children in the classroom and identify early and appropriate interventions to help children described in subparagraph (C) to learn.

“(5) Programs and activities related to—

“(A) tenure reform;

“(B) provision of merit pay; and

“(C) testing of elementary school and secondary school teachers in the academic subjects taught by such teachers.

“(6) Activities that provide teacher opportunity payments, consistent with section 2033.

##### **“SEC. 2032. PROFESSIONAL DEVELOPMENT FOR TEACHERS.**

“(a) LIMITATION RELATING TO CURRICULUM AND ACADEMIC SUBJECTS.—

“(1) IN GENERAL.—Except as provided in paragraph (2), funds made available to carry out this subpart may not be provided for a teacher and a professional development activity if the activity is not—

“(A) directly related to the curriculum and academic subjects in which the teacher provides instruction; or

“(B) designed to enhance the ability of the teacher to understand and use State standards for the academic subjects in which the teacher provides instruction.

“(2) EXCEPTION.—Paragraph (1) shall not be construed to prohibit the use of the funds for professional development activities that provide instruction described in subparagraphs (C) and (D) of section 2031(b)(4).

“(b) OTHER REQUIREMENTS.—Professional development activities provided under this subpart—

“(1) shall be measured, in terms of progress, using the specific performance indicators established by the State involved in accordance with section 2014(b)(2);

“(2) shall be tied to challenging State or local content standards and student performance standards;

“(3) shall be tied to scientifically based research demonstrating the effectiveness of the activities in increasing student achievement or substantially increasing the knowledge and teaching skills of the teachers participating in the activities;

“(4) shall be of sufficient intensity and duration to have a positive and lasting impact on the performance of a teacher in the classroom (which shall not include 1-day or short-term workshops and conferences), except that this paragraph shall not apply to an activity if such activity is 1 component described in a long-term comprehensive professional development plan established by the teacher and the teacher's supervisor based upon an assessment of the needs of the teacher, the students of the teacher, and the local educational agency involved; and

“(5) shall be developed with extensive participation of teachers, principals, and administrators of schools to be served under this part.

“(c) ACCOUNTABILITY AND REQUIRED PAYMENTS.—

“(1) IN GENERAL.—A State shall notify a local educational agency that the agency



may be subject to the requirement of paragraph (3) if, after any fiscal year, the State determines that the professional development activities funded by the agency under this subpart fail to meet the requirements of subsections (a) and (b).

“(2) **TECHNICAL ASSISTANCE.**—A local educational agency that has received notification pursuant to paragraph (1) may request technical assistance from the State in order to provide the opportunity for such local educational agency to comply with the requirements of subsections (a) and (b).

“(3) **REQUIREMENT TO PROVIDE TEACHER OPPORTUNITY PAYMENTS.**—

“(A) **IN GENERAL.**—A local educational agency that has received notification from the State pursuant to paragraph (1) during any 2 consecutive fiscal years shall expend under section 2033 for the succeeding fiscal year a proportion of the funds made available to the agency to carry out this subpart equal to the proportion of such funds expended by the agency for professional development activities for the second fiscal year in which the agency received the notification.

“(B) **REQUESTS.**—On request by a group of teachers in schools served by the local educational agency, the agency shall use a portion of the funds provided to the agency to carry out this subpart, to provide payments in accordance with section 2033.

“(d) **DEFINITION.**—In this section, the term ‘professional development activity’ means an activity described in subsection (a)(2) or (b)(4) of section 2031.

#### “SEC. 2033. TEACHER OPPORTUNITY PAYMENTS.

“(a) **IN GENERAL.**—A local educational agency receiving funds to carry out this subpart may (or in the case of section 2032(c)(3), shall) provide payments directly to a teacher or a group of teachers seeking opportunities to participate in a professional development activity of their choice.

“(b) **NOTICE TO TEACHERS.**—Each local educational agency distributing payments under this section—

“(1) shall establish and implement a timely process through which proper notice of availability of the payments will be given to all teachers in schools served by the agency; and

“(2) shall develop a process through which teachers will be specifically recommended by principals to participate in such opportunities by virtue of—

“(A) the teachers’ lack of full certification or licensing to teach the academic subjects in which the teachers teach; or

“(B) the teachers’ need for additional assistance to ensure that their students make progress toward meeting challenging State content standards and student performance standards.

“(c) **SELECTION OF TEACHERS.**—In the event adequate funding is not available to provide payments under this section to all teachers seeking such payments, or recommended under subsection (b)(2), a local educational agency shall establish procedures for selecting teachers for the payments, which shall provide priority for those teachers recommended under subsection (b)(2).

“(d) **ELIGIBLE ACTIVITY.**—A teacher receiving a payment under this section shall have the choice of attending any professional development activity that meets the criteria set forth in subsections (a) and (b) of section 2032.

#### “SEC. 2034. LOCAL APPLICATIONS.

“(a) **IN GENERAL.**—A local educational agency seeking to receive a subgrant from a State to carry out this subpart shall submit an application to the State—

“(1) at such time as the State shall require; and

“(2) that is coordinated with other programs carried out under this Act (other than programs carried out under this subpart).

“(b) **LOCAL APPLICATION CONTENTS.**—The local application described in subsection (a) shall include, at a minimum, the following:

“(1) A description of how the local educational agency intends to use funds provided to carry out this subpart.

“(2) An assurance that the local educational agency will target funds to schools served by the local educational agency that—

“(A) have the lowest proportions of highly qualified teachers; or

“(B) are identified for school improvement under section 1116(c).

“(3) A description of how the local educational agency will coordinate professional development activities authorized under this subpart with professional development activities provided through other Federal, State, and local programs, including those authorized under title I, title III, title IV, part A of title VII, and (where applicable) the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) and the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.).

“(4) A description of how the local educational agency will integrate funds received to carry out this subpart with funds received under title III that are used for professional development to train teachers in how to use technology to improve learning and teaching.

“(5) A description of how the local educational agency has collaborated with teachers, principals, parents, and administrators in the preparation of the application.

“(c) **PARENTS’ RIGHT-TO-KNOW.**—A local educational agency that receives funds to carry out this subpart shall provide, upon request and in an understandable and uniform format, to any parent of a student attending any school receiving funds under this subpart from the agency, information regarding the professional qualifications of the student’s classroom teachers, including, at a minimum, whether the teachers are highly qualified.

#### “Subpart 4—National Activities

#### “SEC. 2041. ALTERNATIVE ROUTES TO TEACHING.

“(a) **TEACHER EXCELLENCE ACADEMIES.**—

“(1) **IN GENERAL.**—The Secretary may award grants on a competitive basis to eligible consortia to carry out activities described in this subsection.

“(2) **USE OF FUNDS.**—

“(A) **IN GENERAL.**—An eligible consortium receiving funds under this subsection shall use the funds to pay the costs associated with the establishment or expansion of a teacher academy, in an elementary school or secondary school facility, that carries out—

“(i) the activities promoting alternative routes to State teacher certification specified in subparagraph (B); or

“(ii) the model professional development activities specified in subparagraph (C).

“(B) **PROMOTING ALTERNATIVE ROUTES TO TEACHER CERTIFICATION.**—The activities promoting alternative routes to State teacher certification specified in this subparagraph are the design and implementation of a course of study and activities providing an alternative route to State teacher certification that—

“(i) provide opportunities to highly qualified individuals with a baccalaureate degree, including mid-career professionals from other occupations, paraprofessionals, former military personnel, and recent college or university graduates with records of academic distinction;

“(ii) provide stipends, for not more than 2 years, to permit individuals described in

clause (i) to participate as student teachers able to fill teaching needs in academic subjects in which there is a demonstrated shortage of teachers;

“(iii) provide for the recruitment and hiring of master teachers to mentor and train student teachers within such academies; and

“(iv) include a reasonable service requirement for individuals completing the course of study and alternative certification activities established by the eligible consortium.

“(C) **MODEL PROFESSIONAL DEVELOPMENT.**—The model professional development activities specified in this subparagraph are activities providing ongoing professional development opportunities for teachers, such as—

“(i) innovative programs and model curricula in the area of professional development, which may serve as models to be disseminated to other schools and local educational agencies; and

“(ii) the development of innovative techniques for evaluating the effectiveness of professional development programs.

“(3) **GRANT FOR SPECIAL CONSORTIUM.**—In making grants under this subsection, the Secretary shall award not less than 1 grant to an eligible consortium that—

“(A) includes a high-need local educational agency located in a rural area; and

“(B) proposes activities that involve the extensive use of distance learning in order to provide the applicable course work to student teachers.

“(4) **SPECIAL RULE.**—No single participant in an eligible consortium may use more than 50 percent of the funds made available to the consortium under this subsection.

“(5) **APPLICATION.**—To be eligible to receive a grant under this subsection, an eligible consortium shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

“(6) **ELIGIBLE CONSORTIUM.**—In this subsection, the term ‘eligible consortium’ means a consortium for a State that—

“(A) shall include—

“(i) the State agency responsible for certifying or licensing teachers;

“(ii) not less than 1 high-need local educational agency;

“(iii) a school of arts and sciences; and

“(iv) an institution that prepares teachers; and

“(B) may include local educational agencies, public charter schools, public or private elementary schools or secondary schools, educational service agencies, public or private nonprofit educational organizations, museums, or businesses.

“(b) **TROOPS-TO-TEACHERS PROGRAM.**—

“(1) **PURPOSE.**—The purpose of this subsection is to authorize a mechanism for the funding and administration after September 30, 2000, of the Troops-to-Teachers Program established by the Troops-to-Teachers Program Act of 1999 (subtitle I of title V of the National Defense Authorization Act for Fiscal Year 2000).

“(2) **TRANSFER OF FUNDS FOR ADMINISTRATION OF PROGRAM.**—Subject to paragraph (3), to the extent that funds are made available under this Act for the Troops-to-Teachers Program, the Secretary of Education shall transfer the funds to the Defense Activity for Non-Traditional Education Support of the Department of Defense. The Defense Activity shall use the funds to perform the actual administration of the Troops-to-Teachers Program, including the selection of participants in the Program under section 594 of the Troops-to-Teachers Program Act of 1999. The Secretary of Education may retain a portion of the funds to identify local educational agencies with teacher shortages and States with alternative certification requirements, as required by section 592 of such Act.

“(3) DEFENSE AND COAST GUARD CONTRIBUTION.—The Secretary of Education may not transfer funds under paragraph (2) unless the Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard, agree to pay for not less than 25 percent of the costs associated with the activities conducted under the Troops-to-Teachers Program. The contributions may be in cash or in kind, fairly evaluated, including plant, equipment, and services, and may be from private contributions made for purposes of the Program.

**“SEC. 2042. EISENHOWER NATIONAL CLEARINGHOUSE FOR MATHEMATICS AND SCIENCE EDUCATION.**

“The Secretary may award a grant or contract, in consultation with the Director of the National Science Foundation, to an entity to continue the Eisenhower National Clearinghouse for Mathematics and Science Education.

**“Subpart 5—Funding**

**“SEC. 2051. AUTHORIZATION OF APPROPRIATIONS.**

“(a) FISCAL YEAR 2000.—There are authorized to be appropriated to carry out this part \$2,060,000,000 for fiscal year 2000, of which \$15,000,000 shall be available to carry out subpart 4.

“(b) OTHER FISCAL YEARS.—There are authorized to be appropriated to carry out this part such sums as may be necessary for fiscal years 2001 through 2004.

**“Subpart 6—General Provisions**

**“SEC. 2061. DEFINITIONS.**

“In this part:

“(1) ARTS AND SCIENCES.—The term ‘arts and sciences’ has the meaning given the term in section 201(b) of the Higher Education Act of 1965 (20 U.S.C. 1021(b)).

“(2) HIGHLY QUALIFIED.—The term ‘highly qualified’ means—

“(A) with respect to an elementary school teacher, a teacher—

“(i) with an academic major in the arts and sciences; or

“(ii) who can demonstrate competence through a high level of performance in core academic subjects; and

“(B) with respect to a secondary school teacher, a teacher—

“(i) with an academic major in the academic subject in which the teacher teaches or in a related field;

“(ii) who can demonstrate a high level of competence through rigorous academic subject tests; or

“(iii) who can demonstrate competence through a high level of performance in relevant content areas.

“(3) HIGH-NEED LOCAL EDUCATIONAL AGENCY.—The term ‘high-need local educational agency’ means a local educational agency that serves an elementary school or secondary school located in an area in which there is—

“(A) a high percentage of individuals from families with incomes below the poverty line;

“(B) a high percentage of secondary school teachers not teaching in the academic subject in which the teachers were trained to teach; or

“(C) a high teacher turnover rate.

“(4) OUT-OF-FIELD TEACHER.—The term ‘out-of-field teacher’ means a teacher—

“(A) teaching an academic subject for which the teacher is not highly qualified, as determined by the State involved; or

“(B) who did not receive a degree from an institution of higher education with a major or minor in the field in which the teacher teaches.

“(5) POVERTY LINE.—The term ‘poverty line’ means the poverty line (as defined by the Office of Management and Budget and re-

vised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved.

“(6) SCIENTIFICALLY BASED RESEARCH.—The term ‘scientifically based research’—

“(A) means the application of rigorous, systematic, and objective procedures to obtain valid knowledge relevant to professional development of teachers; and

“(B) includes research that—

“(i) employs systematic, empirical methods that draw on observation or experiment;

“(ii) involves rigorous data analyses that are adequate to test the stated hypotheses and justify the general conclusions drawn;

“(iii) relies on measurements or observational methods that provide valid data across evaluators and observers and across multiple measurements and observations; and

“(iv) has been accepted by a peer-reviewed journal or approved by a panel of independent experts through a comparably rigorous, objective, and scientific review.”.

(b) CONFORMING AMENDMENT.—Section 13302(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8672(1)) is amended by striking “2102(b)” and inserting “2042”.

**SEC. 3. AMENDMENTS RELATING TO READING EXCELLENCE ACT.**

(a) REPEAL OF PART B.—Part B of title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6641 et seq.) is repealed.

(b) READING EXCELLENCE ACT.—

(1) PART HEADING.—Part C of title II of such Act is redesignated as part B and the heading for such part B is amended to read as follows:

**“PART B—READING EXCELLENCE ACT”.**

(2) AUTHORIZATION OF APPROPRIATIONS.—Section 2260(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6661i(a)) is amended by adding at the end the following:

“(3) FISCAL YEARS 2001 THROUGH 2004.—There are authorized to be appropriated to carry out this part \$260,000,000 for fiscal year 2001 and such sums as may be necessary for fiscal years 2002 through 2004.”.

(3) SHORT TITLE.—Part B of title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6661) is amended by adding at the end the following:

**“SEC. 2261. SHORT TITLE.**

“This part may be cited as the ‘Reading Excellence Act’.”.

**SEC. 4. GENERAL PROVISIONS.**

(a) IN GENERAL.—Title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6601 et seq.) is amended—

(1) by repealing part D;

(2) by redesignating part E as part C; and

(3) by repealing sections 2401 and 2402 and inserting the following:

**“SEC. 2401. PROHIBITION ON MANDATORY NATIONAL CERTIFICATION OR LICENSING OF TEACHERS.**

“(a) PROHIBITION ON MANDATORY TESTING, CERTIFICATION, OR LICENSING.—Notwithstanding any other provision of law, the Secretary may not use Federal funds to plan, develop, implement, or administer any mandatory national teacher test or method of certification or licensing.

“(b) PROHIBITION ON WITHHOLDING FUNDS.—The Secretary may not withhold funds from any State or local educational agency if such State or local educational agency fails to adopt a specific method of teacher certification or licensing.

**“SEC. 2402. PROVISIONS RELATED TO PRIVATE SCHOOLS.**

“The provisions of sections 14503 through 14506 apply to programs carried out under this title.

**“SEC. 2403. HOME SCHOOLS.**

“Nothing in this title shall be construed to permit, allow, encourage, or authorize any Federal control over any aspect of any private, religious, or home school, whether a home school is treated as a private school or home school under the law of the State involved, except that the Secretary may require that funds provided to a school under this title be used for the purposes described in this title. This section shall not be construed to bar private, religious, or home schools from participating in or receiving programs or services under this title.”.

(b) CONFORMING AMENDMENTS.—

(1) COORDINATION.—Section 1202(c)(2)(C) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6362(c)(2)(C)) is amended, in the subparagraph heading, by striking “PART C” and inserting “PART B”.

(2) DEFINITION OF COVERED PROGRAM.—Section 14101(10)(C) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(10)(C)) is amended by striking “(other than section 2103 and part D of such title)”.

(3) PRIVATE SCHOOL PARTICIPATION.—Section 14503(b)(1)(B) (20 U.S.C. 8893(b)(1)(B)) of such Act is amended by striking “(other than section 2103 and part D of such title)”.

• Mr. MACK. Mr. President, I rise today to speak on behalf of the Teacher Empowerment Act, which is legislation introduced by my friend and colleague Senator GREGG. I am proud to be an original cosponsor of this legislation, which responds to several critical needs facing American education. In particular, it addresses teacher quality and quantity. It addresses local control of educating our children. It requires accountability to parents and students. In short, it is a plan to ensure that every child in America is prepared for global competition in the 21st Century.

The Teacher Empowerment Act recognizes the expertise of our state and local governments in educating our children. American parents trust their teachers and principals to make appropriate educational decisions for their children. In reality, Washington bureaucrats have called the shots for far too long. The results indicate that in lieu of achievement, we now have reams of paperwork and a myriad of programs to address local problems at the national level. We can and must do better.

The Teacher Empowerment Act puts decision making authority back into the hands of local schools. It encourages states to implement innovative teacher reforms and high quality professional development programs to increase teacher knowledge and student achievement. Local schools would be encouraged to fund innovative programs such as teacher testing—a concept which I have strongly supported and which this body supported last year in a bipartisan vote—as well as tenure reform, merit-based pay, alternative routes to teacher certification, differential and bonus pay for teachers in high need subject areas, teacher mentoring, and in-service teacher academies.

Our children are counting on us to ensure that they receive an education second to none. That starts with exceptional teachers and schools that are

able to address the individual needs of its students. This bill returns to local schools the ability and authority to accomplish these goals. I urge my colleagues to support this bill.●

#### ADDITIONAL COSPONSORS

S. 37

At the request of Mr. GRASSLEY, the name of the Senator from Virginia (Mr. ROBB) was added as a cosponsor of S. 37, a bill to amend title XVIII of the Social Security Act to repeal the restriction on payment for certain hospital discharges to post-acute care imposed by section 4407 of the Balanced Budget Act of 1997.

S. 218

At the request of Mr. MOYNIHAN, the name of the Senator from Texas (Mr. GRAMM) was added as a cosponsor of S. 218, a bill to amend the Harmonized Tariff Schedule of the United States to provide for equitable duty treatment for certain wool used in making suits.

S. 329

At the request of Mr. ROBB, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 329, a bill to amend title 38, United States Code, to extend eligibility for hospital care and medical services under chapter 17 of that title to veterans who have been awarded the Purple Heart, and for other purposes.

S. 459

At the request of Mr. BREAU, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 459, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on private activity bonds.

S. 484

At the request of Mr. CAMPBELL, the names of the Senator from North Dakota (Mr. CONRAD), and the Senator from Washington (Mr. GORTON) were added as cosponsors of S. 484, a bill to provide for the granting of refugee status in the United States to nationals of certain foreign countries in which American Vietnam War POW/MIAs or American Korean War POW/MIAs may be present, if those nationals assist in the return to the United States of those POW/MIAs alive.

S. 556

At the request of Mr. BAUCUS, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 556, a bill to amend title 39, United States Code, to establish guidelines for the relocation, closing, consolidation, or construction of post offices, and for other purposes.

S. 620

At the request of Mr. SARBANES, the names of the Senator from Massachusetts (Mr. KERRY), the Senator from New Mexico (Mr. BINGAMAN), and the Senator from Nebraska (Mr. KERREY) were added as cosponsors of S. 620, a bill to grant a Federal charter to Korean War Veterans Association, Incorporated, and for other purposes.

S. 631

At the request of Mr. DEWINE, the name of the Senator from Virginia (Mr. ROBB) was added as a cosponsor of S. 631, a bill to amend the Social Security Act to eliminate the time limitation on benefits for immunosuppressive drugs under the medicare program, to provide continued entitlement for such drugs for certain individuals after medicare benefits end, and to extend certain medicare secondary payer requirements.

S. 659

At the request of Mr. MOYNIHAN, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 659, a bill to amend the Internal Revenue Code of 1986 to require pension plans to provide adequate notice to individuals whose future benefit accruals are being significantly reduced, and for other purposes.

S. 666

At the request of Mr. LUGAR, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 666, a bill to authorize a new trade and investment policy for sub-Saharan Africa.

S. 693

At the request of Mr. HELMS, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 693, a bill to assist in the enhancement of the security of Taiwan, and for other purposes.

S. 796

At the request of Mr. WELLSTONE, the names of the Senator from Connecticut (Mr. DODD) and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of S. 796, a bill to provide for full parity with respect to health insurance coverage for certain severe biologically-based mental illnesses and to prohibit limits on the number of mental illness-related hospital days and outpatient visits that are covered for all mental illnesses.

S. 1022

At the request of Mr. DORGAN, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1022, a bill to authorize the appropriation of an additional \$1,700,000,000 for fiscal year 2000 for health care for veterans.

S. 1144

At the request of Mr. VOINOVICH, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 1144, a bill to provide increased flexibility in use of highway funding, and for other purposes.

S. 1187

At the request of Mr. DORGAN, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 1187, a bill to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the Lewis and Clark Expedition, and for other purposes.

S. 1214

At the request of Mr. THOMPSON, the name of the Senator from Maine (Ms.

COLLINS) was added as a cosponsor of S. 1214, a bill to ensure the liberties of the people by promoting federalism, to protect the reserved powers of the States, to impose accountability for Federal preemption of State and local laws, and for other purposes.

S. 1232

At the request of Mr. COCHRAN, the name of the Senator from Virginia (Mr. ROBB) was added as a cosponsor of S. 1232, a bill to provide for the correction of retirement coverage errors under chapters 83 and 84 of title 5, United States Code.

S. 1296

At the request of Mr. HELMS, his name was withdrawn as a cosponsor of S. 1296, a bill to designate portions of the lower Delaware River and associated tributaries as a component of the National Wild and Scenic Rivers System.

S. 1312

At the request of Mr. HOLLINGS, the name of the Senator from Hawaii (Mr. INOUE) was added as a cosponsor of S. 1312, a bill to ensure full and expeditious enforcement of the provisions of the Communications Act of 1934 that seek to bring about competition in local telecommunications markets, and for other purposes.

S. 1317

At the request of Mr. AKAKA, the name of the Senator from Florida (Mr. GRAHAM) was added as a cosponsor of S. 1317, a bill to reauthorize the Welfare-To-Work program to provide additional resources and flexibility to improve the administration of the program.

S. 1334

At the request of Mr. AKAKA, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 1334, a bill to amend chapter 63 of title 5, United States Code, to increase the amount of leave time available to a Federal employee in any year in connection with serving as an organ donor, and for other purposes.

S. 1438

At the request of Mr. CAMPBELL, the names of the Senator from North Dakota (Mr. CONRAD) and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of S. 1438, a bill to establish the National Law Enforcement Museum on Federal land in the District of Columbia.

S. 1440

At the request of Mr. GRAMM, the name of the Senator from Missouri (Mr. ASHCROFT) was added as a cosponsor of S. 1440, a bill to promote economic growth and opportunity by increasing the level of visas available for highly specialized scientists and engineers and by eliminating the earnings penalty on senior citizens who continue to work after reaching retirement age.

S. 1464

At the request of Mr. HAGEL, the name of the Senator from Colorado

(Mr. ALLARD) was added as a cosponsor of S. 1464, a bill to amend the Federal Food, Drug, and Cosmetic Act to establish certain requirements regarding the Food Quality Protection Act of 1996, and for other purposes.

## SENATE RESOLUTION 95

At the request of Mr. THURMOND, the names of the Senator from Delaware (Mr. ROTH) and the Senator from North Dakota (Mr. DORGAN) were added as cosponsors of Senate Resolution 95, a resolution designating August 16, 1999, as "National Airborne Day."

## AMENDMENT NO. 1062

At the request of Mr. JOHNSON the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of amendment No. 1062 intended to be proposed to S. 1233, an original bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2000, and for other purposes.

## AMENDMENT NO. 1489

At the request of Mr. ENZI the names of the Senator from South Dakota (Mr. DASCHLE) and the Senator from Wyoming (Mr. THOMAS) were added as cosponsors of amendment No. 1489 intended to be proposed to H.R. 2466, a bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes.

## AMENDMENT NO. 1495

At the request of Mr. BAUCUS the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of amendment No. 1495 intended to be proposed to S. 1233, an original bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2000, and for other purposes.

## AMENDMENT NO. 1499

At the request of Mr. DASCHLE the names of the Senator from West Virginia (Mr. ROCKEFELLER) and the Senator from New Mexico (Mr. BINGAMAN) were added as cosponsors of amendment No. 1499 proposed to S. 1233, an original bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2000, and for other purposes.

## AMENDMENTS SUBMITTED

## AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2000

## ABRAHAM AMENDMENT NO. 1502

(Ordered to lie on the table.)

Mr. ABRAHAM submitted an amendment intended to be proposed by him

to the bill (S. 1233) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2000, and for other purposes; as follows:

On page 68, line 5, before the period insert the following: "or the Food and Drug Administration Detroit, Michigan District Office Laboratory; or to reduce the Detroit Michigan Food and Drug Administration District Office below the operating and fulltime equivalent staffing level of July 31, 1999; or to change the Detroit District Office to a station, residence post or similarly modified office; or to reassign residence posts assigned to the Detroit District Office."

## ROBERTS AMENDMENTS NOS. 1503-1504

(Ordered to lie on the table.)

Mr. ROBERTS submitted two amendments intended to be proposed by him to the bill, S. 1233, supra; as follows:

## AMENDMENT No. 1503

On page 76, between lines 6 and 7, insert the following:

SEC. 7. PROHIBITED ACTIVITIES ON CRP ACREAGE.—None of the funds made available by this Act shall be used to implement Notice CRP-327, issued by the Farm Service Agency on October 26, 1998.

## AMENDMENT No. 1504

On page 76, between lines 6 and 7, insert the following:

SEC. 7. SENSE OF THE SENATE REGARDING ACCESS TO ITEMS AND SERVICES UNDER THE MEDICARE PROGRAM.

(a) FINDINGS.—The Senate finds the following:

(1) Total hospital operating margins with respect to items and services provided to medicare beneficiaries are expected to decline from 4.3 percent in fiscal year 1997 to negative 4.4 percent in fiscal year 2002.

(2) Total operating margins for small rural hospitals are expected to decline from 4.2 percent in fiscal year 1998 to negative 7.1 percent in fiscal year 2002.

(3) The Congressional Budget Office recently has estimated that the amount of savings to the medicare program in fiscal years 1998 through 2002 by reason of the amendments to that program contained in the Balanced Budget Act of 1997 is \$206,000,000,000, exactly double the level of cuts expected when the bill was enacted.

(4) Health care providers are beginning to provide fewer health care services to medicare beneficiaries in both urban and rural areas as a result of the implementation of the Balanced Budget Act of 1997.

(5) The concurrent resolution on the budget for fiscal year 2000 recognized that Congress has the responsibility to review payment levels under the medicare program to ensure that medicare beneficiaries have access to high-quality health care services.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Congress should—

(1) reject further reductions in the medicare program under title XVIII of the Social Security Act;

(2) reject extensions of the provisions of the Balanced Budget Act of 1997; and

(3) target new resources for the medicare program that—

(A) address the unintended consequences of the Balanced Budget Act of 1997; and

(B) ensure the access of medicare beneficiaries to high-quality skilled nursing services, home health care services, teaching

hospitals, inpatient and outpatient hospital services, and health care services in rural areas.

## DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2000

CRAPO (AND OTHERS)  
AMENDMENT NO. 1505

(Ordered to lie on the table.)

Mr. CRAPO (for himself, Mr. BURNS, Mr. BAUCUS, and Mr. CRAIG) submitted an amendment intended to be proposed by them to the bill (H.R. 2466) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes; as follows:

On page 10, line 16, after "herein," insert "of which \$500,000 of the amount available for consultation shall be available for development of a voluntary-enrollment habitat conservation plan for cold water fish in cooperation with the States of Idaho and Montana (of which \$250,000 shall be made available to each of the States of Idaho and Montana), and".

## AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2000

HARKIN (AND OTHERS)  
AMENDMENT NO. 1506

Mr. HARKIN (for himself, Mr. DASCHLE, Mr. DORGAN, Mr. KERREY, Mr. JOHNSON, Mr. CONRAD, Mr. BAUCUS, Mr. DURBIN, Mr. WELLSTONE, Mrs. LINCOLN, and Mr. SARBANES) proposed an amendment to amendment No. 1499 proposed by Mr. DASCHLE to the bill, S. 1233, supra; as follows:

Beginning on page 1, line 3, strike all that follows "SEC." to the end of the amendment and insert the following:

EMERGENCY AND INCOME LOSS ASSISTANCE.—(a) ADDITIONAL CROP LOSS ASSISTANCE.—

(1) IN GENERAL.—Except as provided in paragraph (2), in addition to amounts that have been made available to carry out section 1102 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (7 U.S.C. 1421 note; Public Law 105-277) under other law, the Secretary of Agriculture (referred to in this section as the "Secretary") shall use not more than \$756,000,000 of funds of the Commodity Credit Corporation to provide crop loss assistance in accordance with that section in a manner that, to the maximum extent practicable—

(A) fully compensates agricultural producers for crop losses in accordance with that section (including regulations promulgated to carry out that section); and

(B) provides equitable treatment under that section for agricultural producers described in subsections (b) and (c) of that section.

(2) CROP INSURANCE.—Of the total amount made available under paragraph (1), the Secretary shall use not less than \$400,000,000 to assist agricultural producers in purchasing additional coverage for the 2000 crop year under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

(3) **COMPENSATION FOR DENIAL OF CROP LOSS ASSISTANCE BASED ON TAXPAYER IDENTIFICATION NUMBERS.**—The Secretary shall use not more than \$70,000,000 of funds of the Commodity Credit Corporation to make payments to producers on a farm that were denied crop loss assistance under section 1102 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (7 U.S.C. 1421 note; Public Law 105-277), as the result of a change in the taxpayer identification numbers of the producers if the Secretary determines that the change was not made to create an advantage for the producers in the crop insurance program through lower premiums or higher actual production histories.

(b) **INCOME LOSS ASSISTANCE.**—

(1) **IN GENERAL.**—The Secretary shall use not more than \$6,373,000,000 of funds of the Commodity Credit Corporation to provide (on an equitable basis among producers, as determined by the Secretary) supplemental loan deficiency payments to producers on a farm that are eligible for marketing assistance loans for the 1999 crop of a commodity under section 131 of the Agricultural Market Transition Act (7 U.S.C. 7231).

(2) **PAYMENT LIMITATION.**—The total amount of the payments that a person may receive under paragraph (1) during any crop year may not exceed \$40,000.

(3) **PRODUCERS WITHOUT PRODUCTION.**—The payments made available under this subsection shall be provided (on an equitable basis among producers, according to actual production history, as determined by the Secretary) to producers with failed acreage, or acreage on which planting was prevented, due to circumstances beyond the control of the producers.

(4) **TIME FOR PAYMENT.**—The assistance made available under this subsection for an eligible owner or producer shall be provided as soon as practicable after the date of enactment of this Act by providing advance payments that are based on expected production and by taking such measures as are determined appropriate by the Secretary.

(5) **DAIRY PRODUCERS.**—

(A) **IN GENERAL.**—Of the total amount made available under paragraph (1), \$400,000,000 shall be available to provide assistance to dairy producers in a manner determined by the Secretary.

(B) **FEDERAL MILK MARKETING ORDERS.**—Payments made under this subsection shall not affect any decision with respect to rule-making activities under section 143 of the Agricultural Market Transition Act (7 U.S.C. 7253).

(6) **PEANUTS.**—

(A) **IN GENERAL.**—Of the total amount made available under paragraph (1), the Secretary shall use not to exceed \$45,000,000 to provide payments to producers of quota peanuts or additional peanuts to partially compensate the producers for the loss of markets for the 1998 crop of peanuts.

(B) **AMOUNT.**—The amount of a payment made to producers on a farm of quota peanuts or additional peanuts under subparagraph (A) shall be equal to the product obtained by multiplying—

(i) the quantity of quota peanuts or additional peanuts produced or considered produced by the producers under section 155 of the Agricultural Market Transition Act (7 U.S.C. 7271); by

(ii) an amount equal to 5 percent of the loan rate established for quota peanuts or additional peanuts, respectively, under section 155 of that Act.

(7) **TOBACCO GROWER ASSISTANCE.**—The Secretary shall provide \$328,000,000 to be distributed to tobacco growers according to the formulas established pursuant to the National Tobacco Grower Settlement Trust.

(c) **FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32).**—

(1) **IN GENERAL.**—For an additional amount for the fund maintained for funds made available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), there is appropriated, out of any money in the Treasury not otherwise appropriated, \$500,000,000.

(2) **SET-ASIDE FOR CERTAIN LIVESTOCK PRODUCERS.**—Of the funds made available by paragraph (1), the Secretary shall use not more than \$200,000,000 to provide assistance to livestock producers—

(A) the operations of which are located in counties with respect to which during 1999 a natural disaster was declared for losses due to excessive heat or drought by the Secretary, or a major disaster or emergency was declared for losses due to excessive heat or drought by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.); and

(B) that experienced livestock losses as a result of the declared disaster or emergency.

(3) **WAIVER OF COMMODITY LIMITATION.**—In providing assistance under this subsection, the Secretary may waive the limitation established under the second sentence of the second paragraph of section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), on the amount of funds that may be devoted to any 1 agricultural commodity or product.

(d) **EMERGENCY LIVESTOCK ASSISTANCE.**—For an additional amount to provide emergency livestock assistance, there is appropriated, out of any money in the Treasury not otherwise appropriated, \$200,000,000.

(e) **COMMODITY PURCHASES AND HUMANITARIAN DONATIONS.**—

(1) **IN GENERAL.**—Notwithstanding any other provision of law, the Secretary shall use not less than \$978,000,000 of additional funds of the Commodity Credit Corporation for the purchase and distribution of agricultural commodities, under applicable food aid authorities, including—

(A) section 416(b) of the Agricultural Act of 1949 (7 U.S.C. 1431(b));

(B) the Food for Progress Act of 1985 (7 U.S.C. 1736); and

(C) the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et seq.).

(2) **LEAST DEVELOPED COUNTRIES.**—Not less than 40 percent of the commodities distributed pursuant to this subsection shall be made available to least developed countries, as determined by the Secretary.

(3) **LOCAL CURRENCIES.**—To the maximum extent practicable, local currencies generated from the sale of commodities under this subsection shall be used for development purposes that foster United States agricultural exports.

(f) **UPLAND COTTON PRICE COMPETITIVENESS.**—

(1) **IN GENERAL.**—Section 136(a) of the Agricultural Market Transition Act (7 U.S.C. 7236(a)) is amended—

(A) in paragraph (1), by inserting “(in the case of each of the 1999–2000, 2000–2001, and 2001–2002 marketing years for upland cotton, at the option of the recipient)” after “or cash payments”;

(B) by inserting “(or, in the case of each of the 1999–2000, 2000–2001, and 2001–2002 marketing years for upland cotton, 1.25 cents per pound)” after “3 cents per pound” each place it appears;

(C) in paragraph (3), by striking subparagraph (A) and inserting the following:

“(A) **REDEMPTION, MARKETING, OR EXCHANGE.**—

“(i) **IN GENERAL.**—The Secretary shall establish procedures for redeeming marketing certificates for cash or marketing or exchange of the certificates for—

“(I) except as provided in subclause (II), agricultural commodities owned by the Commodity Credit Corporation in such manner, and at such price levels, as the Secretary determines will best effectuate the purposes of cotton user marketing certificates; or

“(II) in the case of each of the 1999–2000, 2000–2001, and 2001–2002 marketing years for upland cotton, agricultural commodities owned by the Commodity Credit Corporation or pledged to the Commodity Credit Corporation as collateral for a loan in such manner, and at such price levels, as the Secretary determines will best effectuate the purposes of cotton user marketing certificates, including enhancing the competitiveness and marketability of United States cotton.

“(ii) **PRICE RESTRICTIONS.**—Any price restrictions that would otherwise apply to the disposition of agricultural commodities by the Commodity Credit Corporation shall not apply to the redemption of certificates under this subparagraph.”; and

(D) in paragraph (4), by inserting before the period at the end the following: “, except that this paragraph shall not apply to each of fiscal years 2000, 2001, and 2002”.

(2) **ENSURING THE AVAILABILITY OF UPLAND COTTON.**—Section 136(b) of the Agricultural Market Transition Act (7 U.S.C. 7236(b)) is amended—

(A) in paragraph (1), by striking “The” and inserting “Except as provided in paragraph (7), the”; and

(B) by adding at the end the following:

“(7) 1999–2000, 2000–2001, AND 2001–2002 MARKETING YEARS.—

“(A) **IN GENERAL.**—In the case of each of the 1999–2000, 2000–2001, and 2001–2002 marketing years for upland cotton, the President shall carry out an import quota program as provided in this paragraph.

“(B) **PROGRAM REQUIREMENTS.**—Except as provided in subparagraph (C), whenever the Secretary determines and announces that for any consecutive 4-week period, the Friday through Thursday average price quotation for the lowest-priced United States growth, as quoted for Middling (M) 1 $\frac{3}{32}$ -inch cotton, delivered C.I.F. Northern Europe, adjusted for the value of any certificate issued under subsection (a), exceeds the Northern Europe price by more than 1.25 cents per pound, there shall immediately be in effect a special import quota.

“(C) **TIGHT DOMESTIC SUPPLY.**—During any month for which the Secretary estimates the season-ending United States upland cotton stocks-to-use ratio, as determined under subparagraph (D), to be below 16 percent, the Secretary, in making the determination under subparagraph (B), shall not adjust the Friday through Thursday average price quotation for the lowest-priced United States growth, as quoted for Middling (M) 1 $\frac{3}{32}$ -inch cotton, delivered C.I.F. Northern Europe, for the value of any certificates issued under subsection (a).

“(D) **SEASON-ENDING UNITED STATES STOCKS-TO-USE RATIO.**—For the purposes of making estimates under subparagraph (C), the Secretary shall, on a monthly basis, estimate and report the season-ending United States upland cotton stocks-to-use ratio, excluding projected raw cotton imports but including the quantity of raw cotton that has been imported into the United States during the marketing year.

“(E) **LIMITATION.**—The quantity of cotton entered into the United States during any marketing year described in subparagraph (A) under the special import quota established under this paragraph may not exceed the equivalent of 5 weeks’ consumption of upland cotton by domestic mills at the seasonally adjusted average rate of the 3

months immediately preceding the first special import quota established in any marketing year.”.

(3) REMOVAL OF SUSPENSION OF MARKETING CERTIFICATE AUTHORITY.—Section 171(b)(1)(G) of the Agricultural Market Transition Act (7 U.S.C. 7301(b)(1)(G)) is amended by inserting before the period at the end the following: “, except that this subparagraph shall not apply to each of the 1999–2000, 2000–2001, and 2001–2002 marketing years for upland cotton”.

(4) REDEMPTION OF MARKETING CERTIFICATES.—Section 115 of the Agricultural Act of 1949 (7 U.S.C. 1445k) is amended—

(A) in subsection (a)—

(i) by striking “rice (other than negotiable marketing certificates for upland cotton or rice)” and inserting “rice, including the issuance of negotiable marketing certificates for upland cotton or rice”;

(ii) in paragraph (1), by striking “and” at the end;

(iii) in paragraph (2), by striking the period at the end and inserting “; and”; and

(iv) by adding at the end the following:

“(3) redeem negotiable marketing certificates for cash under such terms and conditions as are established by the Secretary.”; and

(B) in the second sentence of subsection (c), by striking “export enhancement program or the marketing promotion program established under the Agricultural Trade Act of 1978” and inserting “market access program or the export enhancement program established under sections 203 and 301 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623, 5651)”.

(g) FARM SERVICE AGENCY.—For an additional amount for the Farm Service Agency, there is appropriated, out of any money in the Treasury not otherwise appropriated, \$140,000,000, of which—

(1) \$40,000,000 shall be used for salaries and expenses of the Farm Service Agency; and

(2) \$100,000,000 shall be used for direct or guaranteed farm ownership, operating, or emergency loans under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.).

(h) STATE MEDIATION GRANTS.—For an additional amount for grants pursuant to section 502(b) of the Agricultural Credit Act of 1987 (7 U.S.C. 5102(b)), there is appropriated, out of any money in the Treasury not otherwise appropriated, \$2,000,000.

(i) DISASTER RESERVE.—

(1) IN GENERAL.—For the disaster reserve established under section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a), there is appropriated, out of any money in the Treasury not otherwise appropriated, \$500,000,000.

(2) CROP AND LIVESTOCK CASH INDEMNITY PAYMENTS.—Notwithstanding any other provision of law, the Secretary may use the amount made available under this subsection to carry out a program to provide crop or livestock cash indemnity payments to agricultural producers for the purpose of remedying losses caused by damaging weather or related condition resulting from a natural or major disaster or emergency.

(3) COMMERCIAL FISHERIES FAILURE.—Notwithstanding any other provision of law, the Secretary shall provide \$15,000,000 of the amount made available under this section to the Department of Commerce to provide emergency disaster assistance to persons or entities that have incurred losses from a commercial fishery failure described in section 308(b)(1) of the Interjurisdictional Fisheries Act of 1986 (16 U.S.C. 4107(b)) with respect to a Northeast multispecies fishery.

(j) FLOODED LAND RESERVE PROGRAM.—For an additional amount to carry out a flooded land reserve program in a manner that is consistent with section 1124 of the Agri-

culture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (7 U.S.C. 1421 note; Public Law 105–277), there is appropriated, out of any money in the Treasury not otherwise appropriated, \$250,000,000.

(k) EMERGENCY SHORT-TERM LAND DIVERSION.—For an additional amount to carry out an emergency short-term land diversion program, there is appropriated, out of any money in the Treasury not otherwise appropriated, \$200,000,000.

(l) GRAIN INSPECTION, PACKERS, AND STOCKYARDS ADMINISTRATION.—For an additional amount for the Grain Inspection, Packers, and Stockyards Administration to support rapid response teams to enforce the Packers and Stockyards Act, 1921 (7 U.S.C. 181 et seq.), there is appropriated, out of any money in the Treasury not otherwise appropriated, \$1,000,000.

(m) WATERSHED AND FLOOD PREVENTION OPERATIONS.—For an additional amount for watershed and flood prevention operations to repair damage to waterways and watersheds resulting from natural disasters, there is appropriated, out of any money in the Treasury not otherwise appropriated, \$60,000,000.

(n) EMERGENCY CONSERVATION PROGRAM.—For an additional amount for the emergency conservation program authorized under sections 401, 402, and 404 of the Agricultural Credit Act of 1978 (16 U.S.C. 2201, 2202, 2204) for expenses resulting from natural disasters, there is appropriated, out of any money in the Treasury not otherwise appropriated, \$30,000,000.

(o) ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.—

(1) IN GENERAL.—For an additional amount for the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.), there is appropriated, out of any money in the Treasury not otherwise appropriated, \$52,000,000.

(2) LIVESTOCK NUTRIENT MANAGEMENT PLANS.—The Secretary shall provide a priority in the use of funds made available under paragraph (1) to implementing livestock nutrient management plans.

(p) WETLANDS RESERVE PROGRAM.—Notwithstanding section 727 of this Act, for an additional amount for the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.), there is appropriated, out of any money in the Treasury not otherwise appropriated, \$70,000,000.

(q) FOREIGN MARKET DEVELOPMENT COOPERATOR PROGRAM.—For an additional amount for the foreign market development operator program established under section 702 of the Agricultural Trade Act of 1978 (7 U.S.C. 5722), there is appropriated, out of any money in the Treasury not otherwise appropriated, \$10,000,000.

(r) RURAL ECONOMIC ASSISTANCE.—For an additional amount for rural economic assistance, there is appropriated, out of any money in the Treasury not otherwise appropriated, \$150,000,000, of which—

(1) \$100,000,000 shall be used for rural economic development, with the highest priority given to the most economically disadvantaged rural communities; and

(2) \$50,000,000 shall be used to establish and carry out a program of revolving loans for the support of farmer-owned cooperatives.

(s) MANDATORY PRICE REPORTING.—For an additional amount to carry out a program of mandatory price reporting for livestock and livestock products, on enactment of a law establishing the program, there is appropriated, out of any money in the Treasury not otherwise appropriated, \$4,000,000.

(t) LABELING OF IMPORTED MEAT AND MEAT FOOD PRODUCTS.—

(1) DEFINITIONS.—Section 1 of the Federal Meat Inspection Act (21 U.S.C. 601) is amended by adding at the end the following:

“(w) BEEF.—The term ‘beef’ means meat produced from cattle (including veal).

“(x) IMPORTED BEEF.—The term ‘imported beef’ means beef that is not United States beef, whether or not the beef is graded with a quality grade issued by the Secretary.

“(y) IMPORTED LAMB.—The term ‘imported lamb’ means lamb that is not United States lamb, whether or not the lamb is graded with a quality grade issued by the Secretary.

“(z) IMPORTED PORK.—The term ‘imported pork’ means pork that is not United States pork.

“(aa) LAMB.—The term ‘lamb’ means meat, other than mutton, produced from sheep.

“(bb) PORK.—The term ‘pork’ means meat produced from hogs.

“(cc) UNITED STATES BEEF.—

“(1) IN GENERAL.—The term ‘United States beef’ means beef produced from cattle slaughtered in the United States.

“(2) EXCLUSION.—The term ‘United States beef’ does not include beef produced from cattle imported into the United States in sealed trucks for slaughter.

“(dd) UNITED STATES LAMB.—

“(1) IN GENERAL.—The term ‘United States lamb’ means lamb produced from sheep slaughtered in the United States.

“(2) EXCLUSION.—The term ‘United States lamb’ does not include lamb produced from sheep imported into the United States in sealed trucks for slaughter.

“(ee) UNITED STATES PORK.—

“(1) IN GENERAL.—The term ‘United States pork’ means pork produced from hogs slaughtered in the United States.

“(2) EXCLUSION.—The term ‘United States pork’ does not include pork produced from hogs imported into the United States in sealed trucks for slaughter.”.

(2) MISBRANDING.—Section 1(n) of the Federal Meat Inspection Act (21 U.S.C. 601(n)) is amended—

(A) in paragraph (11), by striking “or” at the end;

(B) in paragraph (12), by striking the period at the end and inserting “; or”; and

(C) by adding at the end the following:

“(13)(A) if it is imported beef, imported lamb, or imported pork offered for retail sale as muscle cuts of beef, lamb, or pork and does not bear a label that identifies its country of origin;

“(B) if it is United States beef, United States lamb, or United States pork offered for retail sale as muscle cuts of beef, lamb, or pork, and does not bear a label that identifies its country of origin; or

“(C) if it is United States or imported ground beef, ground lamb, or ground pork and is not accompanied by labeling that identifies it as United States beef, United States lamb, United States pork, imported beef, imported lamb, imported pork, or other designation that identifies the content of United States beef, imported beef, United States lamb, imported lamb, United States pork, and imported pork contained in the product, as determined by the Secretary.”.

(3) LABELING.—Section 7 of the Federal Meat Inspection Act (21 U.S.C. 607) is amended by adding at the end the following:

“(g) MANDATORY LABELING.—The Secretary shall provide by regulation that the following offered for retail sale bear a label that identifies its country of origin:

“(1) Muscle cuts of United States beef, United States lamb, United States pork, imported beef, imported lamb, and imported pork.

“(2) Ground beef, ground lamb, and ground pork.

“(h) AUDIT VERIFICATION SYSTEM FOR UNITED STATES AND IMPORTED MUSCLE CUTS



OF BEEF, LAMB, AND PORK AND GROUND BEEF, LAMB, AND PORK.—The Secretary may require by regulation that any person that prepares, stores, handles, or distributes muscle cuts of United States beef, imported beef, United States lamb, imported lamb, United States pork, imported pork, ground beef, ground lamb, or ground pork for retail sale maintain a verifiable recordkeeping audit trail that will permit the Secretary to ensure compliance with the regulations promulgated under subsection (g)."

(4) REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall promulgate final regulations to carry out the amendments made by this subsection.

(5) FUNDING.—For an additional amount to carry out this subsection and the amendments made by this subsection, there is appropriated, out of any money in the Treasury not otherwise appropriated, \$8,000,000.

(6) EFFECTIVE DATE.—The amendments made by this subsection take effect 60 days after the date on which final regulations are promulgated under paragraph (4).

(u) INDICATION OF COUNTRY OF ORIGIN OF PERISHABLE AGRICULTURAL COMMODITIES.—

(1) DEFINITIONS.—In this section:

(A) FOOD SERVICE ESTABLISHMENT.—The term "food service establishment" means a restaurant, cafeteria, lunch room, food stand, saloon, tavern, bar, lounge, or other similar facility operated as an enterprise engaged in the business of selling food to the public.

(B) PERISHABLE AGRICULTURAL COMMODITY; RETAILER.—The terms "perishable agricultural commodity" and "retailer" have the meanings given the terms in section 1(b) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499a(b)).

(2) NOTICE OF COUNTRY OF ORIGIN REQUIRED.—Except as provided in paragraph (3), a retailer of a perishable agricultural commodity shall inform consumers, at the final point of sale of the perishable agricultural commodity to consumers, of the country of origin of the perishable agricultural commodity.

(3) EXEMPTION FOR FOOD SERVICE ESTABLISHMENTS.—Paragraph (2) shall not apply to a perishable agricultural commodity if the perishable agricultural commodity is—

(A) prepared or served in a food service establishment; and

(B)(i) offered for sale or sold at the food service establishment in normal retail quantities; or

(ii) served to consumers at the food service establishment.

(4) METHOD OF NOTIFICATION.—

(A) IN GENERAL.—The information required by paragraph (2) may be provided to consumers by means of a label, stamp, mark, placard, or other clear and visible sign on the perishable agricultural commodity or on the package, display, holding unit, or bin containing the commodity at the final point of sale to consumers.

(B) LABELED COMMODITIES.—If the perishable agricultural commodity is already individually labeled regarding country of origin by the packer, importer, or another person, the retailer shall not be required to provide any additional information to comply with this subsection.

(5) VIOLATIONS.—If a retailer fails to indicate the country of origin of a perishable agricultural commodity as required by paragraph (2), the Secretary may assess a civil penalty on the retailer in an amount not to exceed—

(A) \$1,000 for the first day on which the violation occurs; and

(B) \$250 for each day on which the same violation continues.

(6) DEPOSIT OF FUNDS.—Amounts collected under paragraph (5) shall be deposited in the Treasury of the United States as miscellaneous receipts.

(7) APPLICATION OF SUBSECTION.—This section shall apply with respect to a perishable agricultural commodity after the end of the 6-month period beginning on the date of the enactment of this Act.

(v) LIMITATION ON MARKETING LOAN GAINS AND LOAN DEFICIENCY PAYMENTS.—Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001A(a) of that Act that an individual, directly or indirectly, shall be entitled to receive under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) for 1 or more contract commodities and oilseeds during the 1999 crop year may not exceed \$150,000.

(w) SUSPENSION OF SUGAR ASSESSMENTS.—Section 156(f) of the Agricultural Market Transition Act (7 U.S.C. 7272(f)) is amended—

(1) in paragraph (1), by inserting "except as provided in paragraph (6)," after "years,";

(2) in paragraph (2), by inserting "except as provided in paragraph (6)," after "years,"; and

(3) by adding at the end the following:

"(6) SUSPENSION OF ASSESSMENTS.—Effective beginning with fiscal year 2000, no assessments shall be required under this subsection during any fiscal year that immediately follows a fiscal year during which the Federal budget was determined to be in surplus, based on the most recent estimates available from the Office of Management and Budget as of the last day of the fiscal year."

(x) FARMERS MARKET PROGRAM.—For an additional amount for the Farmers Market Program in the Supplemental Nutrition Program for Women, Infants, and Children, there is appropriated, out of any money in the Treasury not otherwise appropriated, \$10,000,000.

(y) EMERGENCY REQUIREMENT.—The entire amount necessary to carry out this section and the amendments made by this section shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

(z) AVAILABILITY.—The amount necessary to carry out this section and the amendments made by this section shall be available upon enactment of this Act for the remainder of fiscal year 1999 and for fiscal year 2000, and shall remain available until expended.

#### ASHCROFT (AND OTHERS) AMENDMENT NO. 1507

Mr. ASHCROFT (for himself, Mr. HAGEL, Mr. BAUCUS, Mr. ROBERTS, Mr. KERREY, Mr. DODD, Mr. BROWNBACK, Mr. GRAMS, Mr. WARNER, Mr. LEAHY, Mr. CRAIG, Mr. FITZGERALD, Mr. DORGAN, Mr. SESSIONS, Mrs. LINCOLN, Ms. LANDRIEU, Mr. CONRAD, Mr. HARKIN, Mr. INHOFE, Mr. CHAFEE, Mr. WELLSTONE, and Mr. BURNS) proposed an amendment to amendment No. 1499 proposed by Mr. DASCHLE to the bill, S. 1233, *supra*; as follows:

At the appropriate place, insert the following:

( ) REQUIREMENT OF CONGRESSIONAL APPROVAL OF ANY UNILATERAL AGRICULTURAL OR MEDICAL SANCTION.—

(1) DEFINITIONS.—In this subsection:

(A) AGRICULTURAL COMMODITY.—The term "agricultural commodity" has the meaning given the term in section 402 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1732).

(B) AGRICULTURAL PROGRAM.—The term "agricultural program" means—

(i) any program administered under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et seq.);

(ii) any program administered under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431);

(iii) any commercial sale of agricultural commodities, including a commercial sale of an agricultural commodity that is prohibited under a unilateral agricultural sanction that is in effect on the date of enactment of this Act; or

(iv) any export financing (including credits or credit guarantees) for agricultural commodities.

(C) JOINT RESOLUTION.—The term "joint resolution" means—

(i) in the case of paragraph (2)(A)(ii), only a joint resolution introduced within 10 session days of Congress after the date on which the report of the President under paragraph (2)(A)(i) is received by Congress, the matter after the resolving clause of which is as follows: "That Congress approves the report of the President pursuant to section ( ) (2)(A)(i) of the Act, transmitted on .", with the blank completed with the appropriate date; and

(ii) in the case of paragraph (5)(B), only a joint resolution introduced within 10 session days of Congress after the date on which the report of the President under paragraph (5)(A) is received by Congress, the matter after the resolving clause of which is as follows: "That Congress approves the report of the President pursuant to section ( ) (5)(A) of the Act, transmitted on .", with the blank completed with the appropriate date.

(D) UNILATERAL AGRICULTURAL SANCTION.—The term "unilateral agricultural sanction" means any prohibition, restriction, or condition on carrying out an agricultural program with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, except in a case in which the United States imposes the measure pursuant to a multilateral regime and the other member countries of that regime have agreed to impose substantially equivalent measures.

(E) UNILATERAL MEDICAL SANCTION.—The term "unilateral medical sanction" means any prohibition, restriction, or condition on exports of, or the provision of assistance consisting of, medicine or a medical device with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, except in a case in which the United States imposes the measure pursuant to a multilateral regime and the other member countries of that regime have agreed to impose substantially equivalent measures.

(2) RESTRICTION.—

(A) NEW SANCTIONS.—Except as provided in paragraphs (3) and (4) and notwithstanding any other provision of law, the President may not impose a unilateral agricultural sanction or unilateral medical sanction against a foreign country or foreign entity for any fiscal year, unless—

(i) not later than 60 days before the sanction is proposed to be imposed, the President submits a report to Congress that—

(I) describes the activity proposed to be prohibited, restricted, or conditioned; and

(II) describes the actions by the foreign country or foreign entity that justify the sanction; and

(ii) Congress enacts a joint resolution stating the approval of Congress for the report submitted under clause (i).

(B) EXISTING SANCTIONS.—

(i) IN GENERAL.—Except as provided in clause (ii), with respect to any unilateral agricultural sanction or unilateral medical sanction that is in effect as of the date of enactment of this Act for any fiscal year, the President shall immediately cease to implement such sanction.

(ii) EXEMPTIONS.—Clause (i) shall not apply to a unilateral agricultural sanction or unilateral medical sanction imposed with respect to an agricultural program or activity described in clause (ii) or (iv) of paragraph (1)(B).

(3) EXCEPTIONS.—The President may impose (or continue to impose) a sanction described in paragraph (2) without regard to the procedures required by that paragraph—

(A) against a foreign country or foreign entity with respect to which Congress has enacted a declaration of war that is in effect on or after the date of enactment of this Act; or

(B) to the extent that the sanction would prohibit, restrict, or condition the provision or use of any agricultural commodity, medicine, or medical device that is—

(i) controlled on the United States Munitions List;

(ii) an item for which export controls are administered by the Department of Commerce for foreign policy or national security reasons; or

(iii) used to facilitate the development or production of a chemical or biological weapon.

(4) COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.—This subsection shall not affect the current prohibitions on providing, to the government of any country supporting international terrorism, United States government assistance, including United States foreign assistance, United States export assistance, or any United States credits or credit guarantees.

(5) TERMINATION OF SANCTIONS.—Any unilateral agricultural sanction or unilateral medical sanction that is imposed pursuant to the procedures described in paragraph (2)(A) shall terminate not later than 2 years after the date on which the sanction became effective unless—

(A) not later than 60 days before the date of termination of the sanction, the President submits to Congress a report containing the recommendation of the President for the continuation of the sanction for an additional period of not to exceed 2 years and the request of the President for approval by Congress of the recommendation; and

(B) Congress enacts a joint resolution stating the approval of Congress for the report submitted under subparagraph (A).

(6) CONGRESSIONAL PRIORITY PROCEDURES.—

(A) REFERRAL OF REPORT.—A report described in paragraph (2)(A)(i) or (5)(A) shall be referred to the appropriate committee or committees of the House of Representatives and to the appropriate committee or committees of the Senate.

(B) REFERRAL OF JOINT RESOLUTION.—

(i) IN GENERAL.—A joint resolution shall be referred to the committees in each House of Congress with jurisdiction.

(ii) REPORTING DATE.—A joint resolution referred to in clause (i) may not be reported before the eighth session day of Congress after the introduction of the joint resolution.

(C) DISCHARGE OF COMMITTEE.—If the committee to which is referred a joint resolution has not reported the joint resolution (or an identical joint resolution) at the end of 30

session days of Congress after the date of introduction of the joint resolution—

(i) the committee shall be discharged from further consideration of the joint resolution; and

(ii) the joint resolution shall be placed on the appropriate calendar of the House concerned.

(D) FLOOR CONSIDERATION.—

(i) MOTION TO PROCEED.—

(I) IN GENERAL.—When the committee to which a joint resolution is referred has reported, or when a committee is discharged under subparagraph (C) from further consideration of a joint resolution—

(aa) it shall be at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for any member of the House concerned to move to proceed to the consideration of the joint resolution; and

(bb) all points of order against the joint resolution (and against consideration of the joint resolution) are waived.

(II) PRIVILEGE.—The motion to proceed to the consideration of the joint resolution—

(aa) shall be highly privileged in the House of Representatives and privileged in the Senate; and

(bb) not debatable.

(III) AMENDMENTS AND MOTIONS NOT IN ORDER.—The motion to proceed to the consideration of the joint resolution shall not be subject to—

(aa) amendment;

(bb) a motion to postpone; or

(cc) a motion to proceed to the consideration of other business.

(IV) MOTION TO RECONSIDER NOT IN ORDER.—A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order.

(V) BUSINESS UNTIL DISPOSITION.—If a motion to proceed to the consideration of the joint resolution is agreed to, the joint resolution shall remain the unfinished business of the House concerned until disposed of.

(ii) LIMITATIONS ON DEBATE.—

(I) IN GENERAL.—Debate on the joint resolution, and on all debatable motions and appeals in connection with the joint resolution, shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the joint resolution.

(II) FURTHER DEBATE LIMITATIONS.—A motion to limit debate shall be in order and shall not be debatable.

(III) AMENDMENTS AND MOTIONS NOT IN ORDER.—An amendment to, a motion to postpone, a motion to proceed to the consideration of other business, a motion to recommit the joint resolution, or a motion to reconsider the vote by which the joint resolution is agreed to or disagreed to shall not be in order.

(iii) VOTE ON FINAL PASSAGE.—Immediately following the conclusion of the debate on a joint resolution, and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the House concerned, the vote on final passage of the joint resolution shall occur.

(iv) RULINGS OF THE CHAIR ON PROCEDURE.—An appeal from a decision of the Chair relating to the application of the rules of the Senate or House of Representatives, as the case may be, to the procedure relating to a joint resolution shall be decided without debate.

(E) COORDINATION WITH ACTION BY OTHER HOUSE.—If, before the passage by 1 House of a joint resolution of that House, that House receives from the other House a joint resolution, the following procedures shall apply:

(i) NO COMMITTEE REFERRAL.—The joint resolution of the other House shall not be referred to a committee.

(ii) FLOOR PROCEDURE.—With respect to a joint resolution of the House receiving the joint resolution—

(I) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

(II) the vote on final passage shall be on the joint resolution of the other House.

(iii) DISPOSITION OF JOINT RESOLUTIONS OF RECEIVING HOUSE.—On disposition of the joint resolution received from the other House, it shall no longer be in order to consider the joint resolution originated in the receiving House.

(F) PROCEDURES AFTER ACTION BY BOTH THE HOUSE AND SENATE.—If a House receives a joint resolution from the other House after the receiving House has disposed of a joint resolution originated in that House, the action of the receiving House with regard to the disposition of the joint resolution originated in that House shall be deemed to be the action of the receiving House with regard to the joint resolution originated in the other House.

(G) RULEMAKING POWER.—This paragraph is enacted by Congress—

(i) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such this paragraph—

(I) is deemed to be a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a joint resolution; and

(II) supersedes other rules only to the extent that this paragraph is inconsistent with those rules; and

(ii) with full recognition of the constitutional right of either House to change the rules (so far as the rules relate to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(7) EFFECTIVE DATE.—This subsection takes effect 180 days after the date of enactment of this Act.

McCAIN (AND GREGG)  
AMENDMENT NO. 1508

(Ordered to lie on the table.)

Mr. McCAIN (for himself and Mr. GREGG) submitted an amendment intended to be proposed by them to the bill, S. 1233, supra; as follows:

On page 76, between lines 6 and 7, insert the following:

SEC. 7. SUGAR PROGRAM.—None of the funds appropriated or otherwise made available by this Act may be used to pay the salaries and expenses of personnel of the Department of Agriculture to carry out section 156 of the Agricultural Market Transition Act (7 U.S.C. 7272), other than subsection (f).

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL  
RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the public that a hearing has been scheduled before the full Energy and Natural Resources Committee to receive testimony regarding S. 1052, to implement further the Act (Public Law 94-241) approving the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, and for other purposes.

The Governor of the Commonwealth and the Administration will be the

only witnesses. Other individuals wishing to testify will be asked to submit their testimony for the record.

The hearing will take place on Tuesday, September 14, 1999, at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building.

For further information, please call James Beirne, Deputy Chief Counsel at (202) 224-2564 or Betty Nevitt, Staff Assistant at (202) 224-0765.

#### AUTHORITY FOR COMMITTEES TO MEET

##### COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry, be allowed to meet during the session of the Senate on Tuesday, August 3, 1999. The purpose of this meeting will be to discuss the farm crisis.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON ARMED SERVICES

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 9:30 a.m., on Tuesday, August 3, 1999, in open session, to consider the nominations of Carol DiBattiste to be Under Secretary of the Air Force and Charles A. Blanchard to be General Counsel of the Department of the Army.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON INDIAN AFFAIRS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Senate Committee on Indian Affairs be authorized to meet during the session of the Senate on Tuesday, August 3, 1999, at 10 a.m., to conduct a hearing on S. 964, a bill to provide for equitable compensation for the Cheyenne River Sioux Tribe. The hearing will be held in room 485, Russell Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON INDIAN AFFAIRS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Senate Committee on Indian Affairs be authorized to meet during the session of the Senate on Tuesday, August 3, 1999, at 2:30 p.m., to conduct a hearing on S. 692, a bill to prohibit Internet gaming. The hearing will be held in room 485, Russell Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be permitted to meet on Tuesday, August 3, 1999, at 10 a.m., for a business meeting to consider pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### ADDITIONAL STATEMENTS

##### TRIBUTE TO CHARLES BENNETT GREENWOOD

• Mr. MCCONNELL. Mr. President, I rise today to pay tribute to a fellow Kentuckian and friend Charles Bennett Greenwood of Central City, who died July 16, 1999, at his home.

Charles, or C.B. to his friends, was a unique individual who loved his home state of Kentucky and revered life in small-town Central City. You see, C.B. lived all of his 93 years within a four block area of downtown Central City. Almost all of the milestones of his life occurred within the same four blocks of Central City. C.B. never went away to college and took very few vacations. It was obvious to everybody who knew him that C.B. was satisfied with his view of the world from Central City.

C.B. was born to William H. and Viola "Louisa" Greenwood on March 6, 1906, at the family home on Fourth Street and went to school just a few hundred feet from his birthplace. In 1934, C.B. and his bride, Louise Batsel, were married at the minister's residence on Third Street, just one block away from the homeplace. All of C.B.'s children—daughter Margaret Ann Long of Oklahoma City; and sons Charles Jr., William and David of Central City—were born at their home on Fourth Street.

Incredibly, C.B. never worked more than four blocks from his birthplace. In the 1920s, C.B. worked for J.C. Batsel Meat Market and Perry Drugstore and in 1932, he went to work for J.C. Penney, all of which were located downtown. In 1945, C.B. purchased Barnes Mercantile Clothing Store on Broad Street, again just four blocks away from his birthplace and residence. He worked at the store until he retired in 1989. For 75 years C.B. walked to and from his jobs in downtown Central City in deep snow or 100 degree weather.

An active community leader, C.B. was a member of the First Baptist Church of Central City, and served on both the Central City Council and the Central City School Board. C.B. was laid to rest in the Rose Hill Cemetery in Central City, four city blocks from where he was born, lived his life, raised his children, worked and ran his business, and served his community.

In today's highly mobile society, few people live their lives like C.B., rooted in their hometown. C.B. was a special person who was happy in his life and lived life to the fullest. I express my condolences to C.B.'s family—his wife, Louise, and children, Charles, Jr.; my close friend Bill and his wife Leslie; and David, and Margaret; 10 grandchildren, 9 great-grandchildren, and one great-great grandchild. •

##### TRIBUTE TO HIS HOLINESS KAREKIN I, CATHOLICOS OF THE ARMENIAN ORTHODOX CHURCH

• Mr. REED. Mr. President, I rise today to pay tribute to His Holiness

Karekin I, Catholicos of the Armenian Orthodox Church. His Holiness passed away on June 29, 1999 at the Holy See of Etchmiadzin, Armenia.

In 1997, I had the opportunity to meet personally with His Holiness, the supreme patriarch of the Armenian Church, in Yerevan. I was moved by his devotion to his church and the love and compassion he had for all people. His Holiness Karekin I was not only respected and loved by Armenian people throughout the world, but his wisdom, compassion and courage was renowned in international religious circles. Throughout his life, His Holiness traveled to many countries, including the United States and my home state of Rhode Island, to strengthen and reaffirm the faith of the Armenian community. He was truly an inspiration to all who knew him.

His Holiness dedicated more than fifty years to his faith, and his devotion raised him rapidly to the highest ranks of the Church. He was born in the village of Kessab, Syria in 1932 and was ordained as a priest in the Church's celibate order in 1949 after his graduation from the Armenian Church Seminary in Antilias, Lebanon. His Holiness was recognized as an exceptional scholar and sent to Oxford University for theological studies. After completing his studies, he returned to Antilias to serve as Dean of the seminary. His Holiness was recognized for his leadership skills by being asked to lead church dioceses in Iran and the United States. In 1977, he was elected Catholicos of the Catholicosate of Cilicia, based in Lebanon.

The people of Armenia elected Karekin I Supreme Catholicos of the Armenian people in 1995. Karekin I was the first Catholicos in centuries to reign within an independent Armenian state. His Holiness worked tirelessly for the spiritual revival of the Armenian Orthodox Church in Armenia. His Holiness also decentralized the infrastructure of the church in Armenia by adding new diocese throughout the country, and he restored churches and monasteries which had been closed during the era of Soviet rule.

The Armenian people throughout the world are mourning the death of His Holiness, and Armenia will be paying tribute to his extraordinary life by holding a period of national mourning through August 8.

I urge my colleagues to join with the Armenian community in remembering the legacy of hope, courage, and compassion left by His Holiness Karekin I. •

##### TRIBUTE TO LELAND PERRY

• Mr. HATCH. Mr. President, this Friday, on the campus of Brigham Young University, in Provo, Utah, the family, friends, former associates and successors of Leland M. Perry will gather to honor his quiet but substantial contributions to the dynamic growth and greatness that characterizes BYU.

Leland Perry, who marks his 98th birthday on August 23, and who still

lives in Provo, was the director of the physical plant at BYU from April 1947 to July 1957, when he and his late wife, McNone Perry, set their vocations aside for several years to organize and preside over the West Spanish American Mission of the LDS Church.

Afterward, Mr. Perry went on to head the physical plant at Ricks College in Idaho, which is also an institution in the system of higher education affiliated with the Church of Jesus Christ of Latter-day Saints, during that college's explosive building program. From there, he was appointed director of all physical plants in the LDS Church's higher education system, except BYU, until he retired in the mid 1960s.

Leland Perry directed BYU's physical plant during a time when the university was beginning an era of enormous growth; and, from the account I have heard, it is clear that he played an important role during that critical period.

One especially noteworthy example typifies his vital contributions. In 1955, he learned about a new concept for heating widely spread, isolated buildings, in a more efficient and less costly way, using pressurized water, which was heated to levels much higher than the boiling point, and combined with a method of forced circulation. Until then, steam was commonly used in such settings, delivered through pipes from a central heating plant. Heat engineering was still a young science, so he took it upon himself to learn all he could about this new technique. He then advocated its use in modernizing the BYU physical plant.

Leland Perry did such a good job in mastering the concept and then in explaining and advocating the system that his idea was accepted, and BYU became the first university in the United States to install and use it campus-wide. Since then, virtually all other campuses of any size have followed BYU's lead, savings untold millions of dollars for American colleges and universities—and for students—nationally.

At the dedication ceremony for the new system in 1957 former BYU President William F. Edwards said, "Leland caught the vision of a new idea and had the courage to promote the idea."

The physical plant of any major facility or complex of buildings is easy to take for granted. We tend not to notice the pipes and the boilers and the controls unless they break down. But they are the structural bones and the circulatory system that make our buildings useful, comfortable, and practical.

I might mention that I was a student at BYU during Leland's tenure as plant manager. I confess that I did not fully appreciate at the time that there was heat in the library, the classrooms and in the dorms because of Leland Perry.

Leland Perry, like many Utahns, is truly a pioneer. With humility and dedication, he has made the vocation of caring for Utah's physical plant a call-

ing. And, he led the way through the last half of this century and created the standards applied to his successors who will lead us into the next century.

I want to join my fellow Utahns and fellow Cougars in commending Leland Perry for his years of service and in wishing him a happy 98th birthday.●

#### TRIBUTE TO SIGURD OLSON

● Mr. FEINGOLD. Mr. President, I rise today to pay tribute one of our nation's most beloved nature writers and dedicated wilderness conservationists, Mr. Sigurd Olson. As an architect of the federal government's protection of wilderness areas, as well as a poetic voice that captured the importance of these pristine sites, Mr. Olson left us and our children a legacy of natural sanctuaries and an ethic by which to better appreciate them.

Mr. President, 1999 marks the 100th anniversary of the birth of Sigurd Olson. Over the July recess, I had the opportunity to travel to Northern Minnesota to commemorate and celebrate Sigurd Olson's life and work. I think it is fitting that the Senate take this opportunity to honor the life of Mr. Olson, who sadly passed away 17 years ago, and to renew our dedication to continue his legacy of wilderness preservation.

Born in Chicago in 1899, Sigurd Olson and his family soon moved to the beautiful Door County Peninsula of Wisconsin. It was there that he formed his life-long attachment to nature and to outdoor recreation. Half a century later, he described what he experienced as a boy along the coast of Green Bay:

A school of perch darted in and out of the rocks. They were green and gold and black, and I was fascinated by their beauty. Seagulls wheeled and cried above me. Waves crashed against the pier. I was alone in a wild and lovely place, part of the dark forest through which I had come, and of all the wild sounds and colors and feelings of the place I had found. That day I entered into a life of indescribable beauty and delight. There I believe I heard the singing wilderness for the first time.

A few years after graduating from the University of Wisconsin in Madison, Olson moved to northeastern Minnesota. He traveled and guided for many years in the surrounding millions of acres of lakeland wilderness—what eventually became the Boundary Waters Canoe Area Wilderness—and he grew convinced that wilderness provided the spiritual experiences vital to modern society. It was this conviction that formed the basis of both his conservation and his writing careers. As he said at a Sierra Club conference in 1965:

I have discovered in a lifetime of traveling in primitive regions, a lifetime of seeing people living in the wilderness and using it, that there is a hard core of wilderness need in everyone, a core that makes its spiritual values a basic human necessity. There is no hiding it. . . . Unless we can preserve places where the endless spiritual needs of man can be fulfilled and nourished, we will destroy our culture and ourselves.

Olson became an active conservationist in the 1920's, fighting to keep roads, dams and airplanes out of his "special place" in northeastern Minnesota. He went on to serve as the president of both the National Parks Association and the Wilderness Society. Yet, perhaps his greatest contribution to conservation came during his tenure as an advisor to Secretary of the Interior from 1959 to the early 1970's, when he helped draft the Wilderness Act, which became law in 1964 and established the U.S. wilderness preservation system that still exists today.

While I never knew Sigurd Olson, those who worked with "Sig," as he was called, were infected by his unwavering commitment to the Boundary Waters and his desire to help people truly understand the meaning and legacy of wilderness.

Central to Olson's agenda was his perseverance as public advocate for the Boundary Waters, in spite of the sometimes quite open hostility that he faced in taking that stand. Twenty-two years ago on July 8, 1977, a public field hearing was held at Ely High School on Congressman Fraser's bill that became the Boundary Waters Canoe Area Wilderness Act of 1978. Sigurd Olson, then 77 years old, stepped forward to testify in the midst of hisses, catcalls and boos from the roughly thousand-person crowd that packed the hearing. Despite the fact that an effigy in his likeness was hanging outside the school, he testified, saying in part:

Some places should be preserved from development and exploitation for they satisfy a human need for solace, belonging, and perspective. In the end we turn to nature in a frenzied chaotic world to find silence—one-ness—wholeness—spiritual release.

I am inspired by Sigurd Olson's actions in my own work, as I have been inspired by my predecessor in the United States Senate Gaylord Nelson. I also share Olson's great respect for America's public lands and for the Boundary Waters.

Mr. President, as I mentioned, I recently visited the Boundary Waters and spent a day canoeing in the pristine area that Olson loved so dearly on the Hegman Lake chain. His words, from his first book, *The Singing Wilderness*, best describe the experience:

The movement of a canoe is like a reed in the wind. Silence is part of it and the sounds of lapping water, bird songs, and wind in the trees. It is part of the medium through which it floats, the sky, the water, the shores. . . . There is magic in the feel of a paddle and the movement of a canoe, a magic compounded of distance, adventure, solitude, and peace. The way of a canoe is the way of the wilderness, and of a freedom almost forgotten. It is an antidote to insecurity, the open door to waterways of ages past and a way of life with profound and abiding satisfactions. When a man is part of his canoe, he is part of all that canoes have ever known.

In addition to canoeing the Hegman Lakes, I also had an opportunity to visit Listening Point on Burntside Lake with Sigurd Olson's son, Bob Olson, and Bob's wife, Vonnice Olson.

Many people have a special place where they go to experience nature. Perhaps it is a park, or a campsite, or a favorite hiking trail. For Sigurd Olson, it was a cabin on a tree-covered glaciated point of rock. He called it his "Listening Point," and it is at the center of his book of the same name.

In his book, Sigurd Olson talks about that place on Burntside Lake from his first night sleeping there under the stars to the eventual building of his cabin:

"From this one place I would explore the entire north and all life, including my own," he writes. "For me, it would be a listening-post from which I might even hear the music of the spheres."

From his cabin, Olson also experienced the wonder and danger of significant storms in the Boundary Waters, an experience nearly identical to my own. Over the Fourth of July weekend this year, shortly before I arrived, serious winds hit the Boundary Waters, downing trees in a quarter of the wilderness area.

I was comforted to learn, as I arrived at Listening Point to see Bob Olson clearing trees from the driveway, that Listening Point has weathered significant storms before. Sigurd Olson writes of another storm, and its aftermath in *Of Time and Place*:

As we approached Listening Point we could see the damage, trees down and twisted, blocking the road to the cabin. We chopped and hacked our way through to the turnaround and found the trail to the cabin was a crisscross of broken treetops, a jackstraw puzzle of tangled debris. It was unbelievable; I looked at the trees, remembering how over the years we had treasured each one of them. . . .

Olson continues:

I sometimes wonder about the meaning of such things as this tornado—why it happened, why it leapfrogged over some areas and hit others. We paddled to the islands beyond Listening Point and saw where many trees had been blown over, all old landmarks along the shore. They would lie there for many years until they, too, would sink into the soil and disappear.

Mr. President, I have been a defender of the Boundary Waters, and my constituents adore this area.

I have also joined in the fight to protect the public lands of Southern Utah, and have sponsored legislation to have the lands of wilderness potential in the Apostle Islands National Lakeshore identified. All my efforts are linked to unfinished business that Sigurd Olson began in the Boundary Waters and to his commitment to designating and protecting our country's special wild places.

In addition to conveying my own admiration for Sigurd Olson, I rise today to share the reflections of my own home state. Wisconsinites have a special fondness for Sigurd Olson for several reasons. Olson, who began his environmental education as a kid from Northern Wisconsin who loved the outdoors, turned out to be a serious conservationist whose name is among the greatest conservationists of the Twentieth Century. With his special wilder-

ness writing, Olson was a reformer who didn't come across as self-important.

Second, Wisconsinites truly appreciate an accomplished outdoor enthusiast turned advocate. That's a rarity in politics, especially these days. Olson will be long remembered for his character and fundamental decency in defense of the wilderness he loved. On behalf of myself and the citizens of my state, as well as all Americans, I wish Sigurd Olson a very happy birthday. We are a greater country for his dedication.●

#### TRIBUTE TO FREDERICK A. MEISTER

● Mr. BUNNING. Mr. President, my home state, the great Commonwealth of Kentucky is known throughout the world for many fine things—fast horses, bluegrass countryside, the best burley tobacco in the world and winning basketball teams. And of course, Kentucky is also known as the home of fine Bourbon whiskey.

Bourbon is interwoven through the history, heritage and economy of our Commonwealth. First developed in 1797 by an early settler from Virginia named Elijah Pepper who settled in Versailles, Kentucky and built a still behind the Woodford County Courthouse, Bourbon is a distinctively Kentucky product that still plays an important role in our state's economy.

For the past nineteen years, the interests of this deeply rooted Kentucky industry have been served very well by a gentleman with no Kentucky roots of his own: a man from the snowy plains of Minnesota—Frederick A. Meister. For the past nineteen years, Fred Meister has served as President and CEO of the Distilled Spirits Council of the United States (DISCUS). He is planning to retire soon and I wanted to take this opportunity to thank him, on the behalf of the many Kentuckians who are employed by the distillery industry throughout our Commonwealth for a job well done.

While the leadership of many Washington trade associations seems to come and go, Fred's tenure at DISCUS stands out as a distinguished exception. For almost two decades, the millions of Americans who choose to drink in moderation could not have had a more zealous advocate. At the same time, Fred and DISCUS have wisely taken a hard line against drunk driving and other forms of reckless drinking.

Whether the issue has been taxes, free trade or the First Amendment freedom of distillers to advertise their products on television and radio, Fred has been there making a persuasive case for the spirit industry's legitimate commercial interests. No one has fought harder or more effectively on these issues than Fred Meister.

At the same time, Fred and DISCUS long ago recognized that the beverage alcohol industry must do its part to stop drunk driving and other forms of reckless drinking. Under Fred's leader-

ship, the industry has made great progress in this regard.

Under his leadership, DISCUS has successfully developed model legislation, the Drunk Driving Prevention Act, which has encouraged many states to pass life saving laws preventing drunk driving, including a ban on open containers and "zero tolerance" for underage consumption. Fred was among the first to call for the establishment of the Presidential Commission on Drunk Driving. Subsequently, he served with distinction on this panel. Under Fred's leadership, DISCUS has maintained and enforced a strict Code of Good Practice governing the advertising and marketing of distilled spirits. In 1991, the majority of the DISCUS companies made a multi-million dollar investment to form an organization known as the Century Council which went on to develop a number of life saving programs aimed at the problems of underage drinking, drunk driving and, most recently, college binge drinking.

As Fred Meister steps down from the leadership at the Distilled Spirits Council, he leaves behind him a proud and positive legacy and he leaves behind an industry that is both commercially strong and socially responsible.

I know that I can safely speak on the behalf of the thousands of Kentuckians who earn their living in the distilling industry when I say "Congratulations and thank You" to Fred Meister for a job well done.●

#### APPRECIATION TO JOHN BRADLEY

Mr. SPECTER. Mr. President, on Friday, August 6, 1999 John Bradley completes a two year assignment to the Senate Committee on Veterans' Affairs. In view of his outstanding performance and contributions to the Committee and our country's veterans, I am taking this occasion to recognize John.

In mid 1997, the Committee was without a professional staff member with expertise in veterans' health care delivery system. I turned to the Department of Veterans Affairs for the temporary assignment of such a person. In truth, I anticipated retaining whoever was assigned only until such time as my Staff Director was able to interview and propose a permanent professional staff member. VA's then Acting Secretary Herschel Gober agreed to the detailing of John Bradley since John had served a similar assignment to this Committee in the 103rd Congress.

John Bradley turned out to be the consummate professional and the search for a permanent professional staff member was halted. A veteran of the Vietnam conflict and a career employee of the VA with over 25 years of service, primarily with the Veterans Health Administration, John made an immediate impact. With the Committee's legislative agenda completed, he directed with great professional skill the rigors of staff conferencing with his House counterparts.

It also soon became apparent that John was not a bureaucrat or intent on maintaining the status quo. In fact, he is an intellectual and innovative thinker who is willing to explore new ideas to advance the cause of veterans health care.

During his assignment to the Committee, John played a major role in shaping the following legislation: the Veterans' Health Care Improvements Act of 1998, the Persian Gulf War Veterans Act of 1998, and the Veterans Compensation Cost of Living Adjustment Act of 1998. Additionally, John has spent many hours this year working on S. 1076, the Veterans Benefits Improvements Act of 1999 which I hope will pass the Senate soon.

Upon his departure and on behalf of the Committee, I extend my deep appreciation to John for his courage, his innovation, his professionalism and, above all, his enduring concern for veterans. He shall be missed.

#### EXECUTIVE SESSION

#### EXECUTIVE CALENDAR

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations en bloc: Executive Calendar Nos. 192, 193, and 200. These nominations are Michael A. Sheehan to be Coordinator for Counterterrorism; Robert S. Gelbard, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Indonesia; and William B. Taylor to be Ambassador during tenure of service as Coordinator of the U.S. Assistance for the New Independent States.

I further ask unanimous consent that the nominations be confirmed en bloc, the motion to reconsider be laid upon the table, any statements be printed in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

#### DEPARTMENT OF STATE

Michael A. Sheehan, of New Jersey, to be Coordinator for Counterterrorism, with the rank and status of Ambassador at Large.

Robert S. Gelbard, of Washington, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Indonesia.

William B. Taylor, Jr., of Virginia, for the Rank of Ambassador during tenure of service as Coordinator of U.S. Assistance for the New Independent States.

#### NOMINATION OF JACK E. HIGHTOWER OF TEXAS TO BE A MEMBER OF THE NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

Mr. LOTT. In executive session, I ask unanimous consent that the nomination

of Jack E. Hightower be discharged from the Committee on Health, Education, Labor, and Pensions, and further the Senate proceed to its consideration.

I further ask unanimous consent that the nomination be confirmed, the motion to reconsider be laid upon the table, any statements be printed in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination considered and confirmed is as follows:

#### NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

Jack E. Hightower, of Texas, to be a Member of the National Commission on Libraries and Information Science for a term expiring July 19, 2004.

#### LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

#### MILITARY CONSTRUCTION APPROPRIATIONS ACT, 2000—CONFERENCE REPORT

Mr. LOTT. I ask unanimous consent that the Senate proceed to the immediate consideration of the conference report to accompany H.R. 2465.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The committee on conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2465), have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report. (The conference report is printed in the House proceedings of the RECORD of July 27, 1999.)

Mr. BURNS. Mr. President, I am very pleased to bring before the Senate the Military Construction Conference Report for fiscal year 2000.

Mr. President, this conference report was passed by the House of Representatives last week by a vote of 412 to 8. It was sent to the Senate late last week and now awaits or final passage.

We have worked hard with our House colleagues to bring the Military Construction Conference to a successful conclusion.

It reflects a strong bipartisan effort of behalf of the Senate and the House of Representatives.

Both bodies took a different perspective on the allocation of military construction funding for the Department of Defense.

However, in the final conference report, we met our goals of promoting quality of life initiatives and enhancing mission readiness.

Mr. President, this bill has some points I want to highlight. It provides a total of \$8.37 billion for military construction.

Even though this is an increase of \$2.9 billion over the President's budget for fiscal year 2000, it is still a reduction of \$79 million from what was appropriated last year.

The conferees rejected the administration proposal to incrementally fund military construction and family housing projects throughout the Department of Defense.

Instead the conferees believed that fully funding these projects was essential for the well being and moral of the men and women who serve in uniform.

Some 43 percent of the bill is allocated to family housing—a total of \$3.6 billion. This includes new construction, improvements to existing units and funding for operation and maintenance of that housing.

We strongly protected quality of life initiatives. We provided \$643 million for barracks, \$22 million for child development centers, and \$151 million for hospital and medical facilities.

We provided a total of \$695 million for the Guard and Reserve components. Overall this represents an increase of \$560 million from the President's budget request.

Many of those projects will enhance the readiness and mission capabilities of our Reserve and Guard forces, vital to out national defense.

I would like to thank my ranking member, Senator MURRAY, for her assistance and support throughout this process. She and her staff was extremely helpful.

I commend this product to the Senate and recommend that it be signed by the President without delay.

Mrs. MURRAY. Mr. President, I am pleased to bring before the Senate this conference report on the fiscal year 2000 military construction appropriations bill—the first of the 13 regular appropriations bills to be completed this year.

This is a good bill, leaner than we would wish but sufficient to meet the Services' most pressing military construction needs, particularly in terms of readiness and quality of life projects. The projects funded in this bill will give the men and women of our armed forces—and their families—a wide array of improved facilities in which to work, to train, and to live.

In my home state of Washington, for example, this bill provides nearly \$129 million in funding for 16 different military construction projects plus \$9 million for Army family housing at Fort Lewis.

Congress was faced with a difficult situation this year when the Pentagon, in a radical departure from regular procedure, requested incremental funding for the entire slate of fiscal year 2000 military construction projects. Thanks to the cooperation of Chairman STEVENS and Ranking Member BYRD, and to the efforts of Senator BURNS on the



Subcommittee, it didn't happen. What's more, we included language in our Committee report directing the Administration to fully fund all military construction requests in future budgets.

Unfortunately, this bill reflects a continued decline in the amount of money that is being allocated to military construction. This year's bill is funded at a level of \$8.374 billion, which is \$76 million less than the fiscal year 1999 bill. And this is at a time when funding for the Defense appropriations bill is heading toward a major increase. Military construction does not have the glamour of some of the gee whiz, high-tech items in the defense bill, but it is an integral part of readiness and quality of life in the military. If military construction is underfunded, we will wind up undercutting our nation's war fighting capability. We must not allow that to occur.

We will continue to fight the good fight for military construction dollars, ably led by our chairman, Senator BURNS, who is an extremely effective advocate for the needs of the military and a pleasure to work with on the Committee. I thank Senator BURNS, and Senators STEVENS and BYRD, for their unflagging support, and I also thank the Subcommittee staff for their hard work on this bill.

This is a good bipartisan conference report, and I urge my colleagues to accept it so that it can be sent to the President without delay and become the first fiscal year 2000 regular appropriations bills to be signed into law.

Mr. LOTT. I ask unanimous consent that the conference report be agreed to, the motion to reconsider be laid upon the table, and any statements relating to the conference report be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The conference report was agreed to.

#### FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 2000 AND 2001

Mr. LOTT. I ask unanimous consent the Senate proceed to the consideration of Calendar No. 229, H.R. 2415.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 2415) to enhance security of the United States missions and personnel overseas, to authorize appropriations for the Department of State for fiscal year 2000, and for other purposes.

Mr. LOTT. I ask unanimous consent that all after the enacting clause be stricken and the text of S. 886 as passed by the Senate be inserted in lieu thereof. I further ask consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table. I further ask consent that the Senate insist on its amendment, request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 2415), as amended, was passed.

(The text of S. 886 was printed in the RECORD of June 22, 1999)

The Presiding Officer (Mr. ALLARD) appointed Mr. HELMS, Mr. LUGAR, Mr. COVERDELL, Mr. GRAMS of Minnesota, Mr. BIDEN, Mr. SARBANES, and Mr. DODD conferees on the part of the Senate.

#### NATIONAL AIRBORNE DAY

Mr. LOTT. I ask unanimous consent that the Senate now proceed to the immediate consideration of Calendar No. 241, S. Res. 95.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 95) designating August 16, 1999, as "National Airborne Day."

Mr. LOTT. I ask unanimous consent the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to this resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. 95) was agreed to. The preamble was agreed to.

The resolution, with its preamble, reads as follows:

#### S. RES. 95

Whereas the Parachute Test Platoon was authorized by the War Department on June 25, 1940, to experiment with the potential use of airborne troops;

Whereas the Parachute Test Platoon was composed of 48 volunteers that began training in July, 1940;

Whereas the Parachute Test Platoon performed the first official Army parachute jump on August 16, 1940;

Whereas the success of the Parachute Test Platoon led to the formation of a large and successful airborne contingent serving from World War II until the present;

Whereas the 11th, 13th, 17th, 82nd, and 101st Airborne Divisions and the numerous other regimental and battalion-sized airborne units were organized following the success of the Parachute Test Platoon;

Whereas the 501st Parachute Battalion participated successfully and valiantly in achieving victory in World War II;

Whereas the airborne achievements during World War II provided the basis for continuing the development of a diversified force of parachute and air assault troops;

Whereas paratroopers, glidermen, and air assault troops of the United States were and are proud members of the world's most exclusive and honorable fraternity, have earned and wear the "Silver Wings of Courage", have participated in a total of 93 combat jumps, and have distinguished themselves in battle by earning 68 Congressional Medals of Honor, the highest military decoration of the United States, and hundreds of Distinguished Service Crosses and Silver Stars;

Whereas these airborne forces have performed in important military and peace-keeping operations, wherever needed, in World War II, Korea, Vietnam, Lebanon, Sinai, the Dominican Republic, Panama, Somalia, Haiti, and Bosnia; and

Whereas the Senate joins together with the airborne community to celebrate August 16, 1999, as "National Airborne Day": Now, therefore, be it

Resolved, That the Senate—

(1) designates August 16, 1999, as "National Airborne Day"; and

(2) requests that the President issue a proclamation calling on Federal, State, and local administrators and the people of the United States to observe the day with appropriate programs, ceremonies, and activities.

#### ORDERS FOR WEDNESDAY, AUGUST 4, 1999

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9 a.m. on Wednesday, August 4. I further ask consent that on Wednesday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate immediately begin 40 minutes of debate on the dairy issue to be equally divided between the opponents and proponents, and the cloture vote occur at 9:45 a.m. with the mandatory quorum having been waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### PROGRAM

Mr. LOTT. Therefore, the Senate will convene at 9 a.m. and we will have 40 minutes of debate, equally divided, on the dairy issue; at 9:45 will be the cloture vote on the dairy amendment. Following the vote, the Senate will resume consideration of the pending Agriculture appropriations bill. Amendments and votes are expected throughout tomorrow's session of the Senate with the anticipation of completing action on the bill.

After that is completed, we could have a vote on a nomination after some period of debate, and then we would turn to the Interior appropriations bill.

#### ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. LOTT. If there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 8:15 p.m., adjourned until Wednesday, August 4, 1999, at 9 a.m.

#### NOMINATIONS

Executive nominations received by the Senate August 3, 1999:

##### DEPARTMENT OF TRANSPORTATION

MICHAEL J. FRAZIER, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF TRANSPORTATION, VICE STEVEN O. PALMER, RESIGNED.

##### DEPARTMENT OF COMMERCE

GREGORY ROHDE, OF NORTH DAKOTA, TO BE ASSISTANT SECRETARY OF COMMERCE FOR COMMUNICATIONS AND INFORMATION, VICE CLARENCE L. IRVING, JR.

DEPARTMENT OF THE INTERIOR

DAVID J. HAYES, OF VIRGINIA, TO BE DEPUTY SECRETARY OF THE INTERIOR, VICE JOHN RAYMOND GARAMENDI, RESIGNED.

DEPARTMENT OF ENERGY

IVAN ITKIN, OF PENNSYLVANIA, TO BE DIRECTOR OF THE OFFICE OF CIVILIAN RADIOACTIVE WASTE MANAGEMENT, DEPARTMENT OF ENERGY, VICE DANIEL A. DREYFUS, RESIGNED.

DEPARTMENT OF STATE

EDWARD W. STIMPSON, OF IDAHO, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS REPRESENTATIVE OF THE UNITED STATES OF AMERICA ON THE COUNCIL OF THE INTERNATIONAL CIVIL AVIATION ORGANIZATION.

THE JUDICIARY

GAIL S. TUSAN, OF GEORGIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF GEORGIA, VICE G. ERNEST TIDWELL, RETIRED.

RICHARD K. EATON, OF THE DISTRICT OF COLUMBIA, TO BE A JUDGE OF THE UNITED STATES COURT OF INTERNATIONAL TRADE, VICE R. KENTON MUSGRAVE, RETIRED.

DEPARTMENT OF THE JUDICIARY

KATHRYN M. TURMAN, OF VIRGINIA, TO BE DIRECTOR OF THE OFFICE FOR VICTIMS OF CRIME, VICE AILEEN CATHERINE ADAMS.

IN THE ARMY

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12211:

To be colonel

ROGER F. HALL, JR., 0000  
JOHN R. HERRIN, 0000  
HOWARD E. HILL, JR., 0000  
THOMAS E. JOHNSON, 0000  
ROBERT A. MARTINEZ, 0000  
HENRY C. MCCANN, 0000  
ALAN R. PETERSON, 0000  
TIMOTHY L. ROOTES, 0000  
ARNOLD H. SOEDER, 0000  
STEPHEN C. TRUESDELL, 0000  
PAUL K. WOHL, 0000

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADES INDICATED IN THE UNITED STATES AIR

FORCE AND FOR REGULAR APPOINTMENT (IDENTIFIED BY AN ASTERISK (\*)) UNDER TITLE 10, U.S.C., SECTIONS 624, 628, AND 531:

To be colonel

MICHAEL L. COLOPY, 0000  
STEVEN A. GABRIAL, 0000  
STEVEN J. PECINOVSKY, 0000  
KEITH L. ROBERTS, 0000

To be lieutenant colonel

MARIO T. AVALOS, 0000  
PETER J. BLOME, 0000  
LARRY J. CHODZKO, 0000  
DOUGLAS L. DURAND, 0000  
ALAAELDEEN M. ELSAYED, 0000  
MARK E. ISRAELITT, 0000  
DANIEL E. JOHNSON, 0000  
CHARLES E. LATIMER, 0000  
\*RICHARD L. MILLER, 0000  
RONNIE E. NICKEL, 0000  
JAMES A. ROMAN, 0000  
JOHN T. STEHMAN, 0000  
JOHN T. TRESEMER, 0000

To be major

CHARLES G. BELENY, 0000  
LORI L. EVERETT, 0000  
BENEDICT G. HEIDERSCHEDIT, 0000  
DEREK A. KNIGHT, 0000  
JOHN G. LINK, 0000  
EDMOND K. SAFARIAN, 0000  
BLAIN W. SECOR, 0000  
EVELINE F. YAOTIU, 0000

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY AND FOR REGULAR APPOINTMENT AS CHAPLAIN (IDENTIFIED BY AN ASTERISK (\*)) UNDER TITLE 10, U.S.C. SECTIONS 624, 531 AND 3064:

To be major

\*ERIC J. ALBERTSON, 0000  
\*CARLETON W. BIRCH, 0000  
\*RANDY L. BRANDT, 0000  
\*DAVID B. CRARY, 0000  
\*OCTAVIO J. DIUULLO, 0000  
\*JACK E. DIXON, 0000  
\*ORLANDO R. FULLER, 0000  
\*MARC S. GAUTHIER, 0000  
\*JEFFREY J. GIANNOLA, 0000  
\*JOHN W. GRIESSEL, 0000  
\*KENNETH R. HARRIS, 0000  
\*JAMES C. HARTZ, 0000  
IRA C. HOUCK III, 0000

\*KEITH E. KILGORE, 0000  
\*ROBERT F. LAND, 0000  
\*RICHARD E. LUND, 0000  
\*ROBERT C. LYONS, 0000  
\*JAMES J. MADDEN, 0000  
\*JO A. MANN, 0000  
\*MARK B. NORDSTROM, 0000  
\*RICHARD R. PACANIA, 0000  
\*KRISTI P. PAPPAS, 0000  
\*JAMES E. PAULSON, 0000  
\*JOE E. PEDERSON, 0000  
\*MARK A. PENFOLD, 0000  
\*HARRY R. REED, JR., 0000  
\*CHARLES E. REYNOLDS, 0000  
\*LEE E. RODGERS, 0000  
\*LUIS R. SCOTT, 0000  
\*DAVID K. SHURTLEFF, 0000  
\*PETER R. SNIFFIN, 0000  
\*TIMOTHY E. SOWERS, 0000  
\*TIMOTHY D. WALLS, 0000  
\*KEVIN B. WESTON, 0000  
\*ROBERT H. WHITLOCK, 0000  
\*STANLEY E. WHITTEN, 0000

CONFIRMATIONS

Executive nominations confirmed by the Senate August 3, 1999:

DEPARTMENT OF STATE

MICHAEL A. SHEEHAN, OF NEW JERSEY, TO BE COORDINATOR FOR COUNTERTERRORISM, WITH THE RANK AND STATUS OF AMBASSADOR AT LARGE.

ROBERT S. GELBARD, OF WASHINGTON, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF INDONESIA.

WILLIAM B. TAYLOR, JR., OF VIRGINIA, FOR THE RANK OF AMBASSADOR DURING TENURE OF SERVICE AS COORDINATOR OF U.S. ASSISTANCE FOR THE NEW INDEPENDENT STATES.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

JACK E. HIGHTOWER, OF TEXAS, TO BE A MEMBER OF THE NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE FOR A TERM EXPIRING JULY 19, 2004. (REAPPOINTMENT)

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.